

**AMENDMENT TO H.R. 4**  
**OFFERED BY MR. KUCINICH OF OHIO**

Strike all after the enacting clause and insert the following:

**1 SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Patsy Mink Memorial  
 3 TANF Reauthorization Act”.

**4 SEC. 2. TABLE OF CONTENTS.**

5 The table of contents of this Act is as follows:

Sec. 1. Short title.  
 Sec. 2. Table of contents.  
 Sec. 3. Findings.  
 Sec. 4. Amendment of Social Security Act.

**TITLE I—GENERAL PROVISIONS**

Sec. 101. Purposes.  
 Sec. 102. State plan.  
 Sec. 103. Funding.  
 Sec. 104. Use of funds.

**TITLE II—WORK REQUIREMENTS**

Sec. 201. Reduced work requirement for parents of school-age children who cannot find adequate child care.  
 Sec. 202. Conforming the number of weeks to the unemployment insurance compensation standard.  
 Sec. 203. Revision of work activities.  
 Sec. 204. Penalties against individuals for unjustified refusal to work; additional justifications.  
 Sec. 205. Elimination of miscellaneous provisions.

**TITLE III—PROHIBITIONS; REQUIREMENTS**

Sec. 301. Replacement of requirement to sanction individual for noncooperation in establishing paternity or obtaining child support with prohibition on requiring such cooperation.  
 Sec. 302. Prohibition on requiring assignment of support rights to the State; return of support rights assigned to the State.  
 Sec. 303. Elimination of sanction against teenage parents not attending high school or other equivalent training program.  
 Sec. 304. Requirements relating to disregard of child support.



## 2

- Sec. 305. Elimination of sanction against teenage parents not living in adult-supervised settings.
- Sec. 306. Protection for children.
- Sec. 307. 5-year time limit.
- Sec. 308. Requirement to provide notice of rights of recipients, and train program personnel in carrying out program consistent with the rights.
- Sec. 309. Requirement to provide information to individuals who are, or are at risk of being, sanctioned.
- Sec. 310. Ban on counting income, scholarship, or gift received by dependent minors.
- Sec. 311. Ban on diversion of potential applicants for assistance.
- Sec. 312. Prohibition on requiring recipients to respond to surveys conducted to obtain information for quarterly reports.
- Sec. 313. Confidentiality of program information.
- Sec. 314. Nondiscrimination.
- Sec. 315. Requirement to provide opportunity to appeal adverse decision.
- Sec. 316. Clarification of penalty for failure to comply with individual responsibility plan.
- Sec. 317. Applicability of civil rights laws.
- Sec. 318. Elimination of special rules relating to treatment of aliens.

## TITLE IV—PENALTIES

- Sec. 401. Increase in penalty for failure to submit required report.
- Sec. 402. Replacement of penalty against State for failure to comply with paternity establishment and child support enforcement requirements with penalty for requiring cooperation in establishing paternity or obtaining child support (including assigning support rights to the State).
- Sec. 403. Extension of maintenance of effort requirement.
- Sec. 404. Penalty for failure of State to comply with child support disregard requirements.
- Sec. 405. Penalty for penalizing birth of child.
- Sec. 406. Penalty for failure to notify recipients of rights, or train program personnel in respecting rights of recipients.
- Sec. 407. Penalty for failure to provide information to individuals who are, or are at risk of being, sanctioned.
- Sec. 408. Penalty for counting income, scholarship, or gift received by dependent minor.
- Sec. 409. Penalty for diverting potential applicant for assistance.
- Sec. 410. Penalty for requiring recipient to respond to survey conducted to obtain information for quarterly report.
- Sec. 411. Penalty for unauthorized disclosure of information provided by recipient.
- Sec. 412. Penalty for discrimination.
- Sec. 413. Penalty for failure to provide opportunity to appeal adverse decision.
- Sec. 414. Penalty for failure to comply with minimum benefit rules.
- Sec. 415. Penalty for failure to provide individual child care entitlement.
- Sec. 416. Failure to submit report on welfare access and outcomes.
- Sec. 417. Elimination of reasonable cause exception.
- Sec. 418. Modification of availability of corrective compliance plan option.
- Sec. 419. Repeal of ban on assistance for persons convicted of a drug felony.

## TITLE V—STUDIES AND REPORTS



## 3

- Sec. 501. Additional information to be included in quarterly State reports.
- Sec. 502. Elimination from secretarial report to the Congress of information on out-of-wedlock pregnancies.
- Sec. 503. Access to welfare; welfare outcomes.
- Sec. 504. Assessment of regional economies to identify higher entry level wage opportunities in industries experiencing labor shortages.
- Sec. 505. Research, evaluations, and national studies.
- Sec. 506. Study by the Census Bureau.

## TITLE VI—WAIVERS

- Sec. 601. Waivers.

## TITLE VII—REPEAL OF LIMITATION ON FEDERAL AUTHORITY

- Sec. 701. Repeal of limitation on Federal authority.

## TITLE VIII—MINIMUM BENEFIT RULES

- Sec. 801. Minimum benefit rules.

## TITLE IX—CHILD CARE

- Sec. 901. Individual entitlement to child care.

## TITLE X—DEFINITION OF POVERTY LINE

- Sec. 1001. Definition of poverty line.

## TITLE XI—SERVICE PROVIDERS

- Sec. 1101. Protection for beneficiaries.

## TITLE XII—EFFECTIVE DATE

- Sec. 1201. Effective date.

1 **SEC. 3. FINDINGS.**

2       The Congress finds the following:

- 3           (1) Welfare reform has reduced the welfare
- 4       caseload but has failed to move families out of pov-
- 5       erty. More than 40 percent of former welfare recipi-
- 6       ents continued to live below the poverty line in 1999.
- 7       Employed former recipients earn a median hourly
- 8       wage of \$7.15. Because challenges to economic op-
- 9       portunity and well-being are not adequately ad-
- 10      dressed by current welfare programs, existing law



1 must be changed to ensure that welfare policy effec-  
2 tively promotes the reduction of poverty.

3 (2) Between 1995 and 1999, a strong economy  
4 reduced poverty by about 2 percent. Reductions in  
5 Government transfer payments during this period,  
6 however, eliminated almost all of the antipoverty ef-  
7 fectiveness of economic growth. Prior to welfare re-  
8 form, between 1993 and 1995, Government transfer  
9 payments had produced the opposite effect, reducing  
10 poverty among American families.

11 (3) About  $\frac{1}{3}$  of people who have left welfare  
12 say they have had to cut the size of meals or skip  
13 meals because they did not have enough food in the  
14 house.

15 (4) Over 40 percent of welfare leavers report  
16 that they have had trouble paying housing and util-  
17 ity bills since leaving welfare.

18 (5) Since welfare reform was enacted in 1996,  
19 and despite a strong economy, there have been sharp  
20 increases in the rates at which single mothers with  
21 children have had to rely on food pantries and home-  
22 less shelters.

23 (6) An estimated  $\frac{1}{3}$  to  $\frac{1}{2}$  of all families leaving  
24 welfare for work do not receive medical assistance,  
25 food stamps, or child care to which they are entitled.



1           (7) Only 1,500,000 of the 9,900,000 children  
2           who are eligible for child care subsidies under their  
3           States' eligibility guidelines receive child care assist-  
4           ance.

5           (8) Between 1997 and 1999, over 500,000 fam-  
6           ilies were sanctioned off welfare and these families  
7           have been more likely to experience poverty than  
8           have other families leaving welfare. On a variety of  
9           measures, families who have been sanctioned off wel-  
10          fare tend to fare worse than other leavers.

11          (9) States in which African Americans make up  
12          a higher proportion of recipients are statistically  
13          more likely to adopt full-family sanctions. African  
14          American recipients are statistically more likely than  
15          white recipients to participate in a TANF program  
16          that employs full-family sanctions. African-American  
17          families have, in fact, been sanctioned more fre-  
18          quently than their white counterparts.

19          (10) States in which African Americans make  
20          up a higher proportion of recipients are statistically  
21          more likely to adopt family cap policies. African  
22          American recipients are statistically more likely than  
23          white recipients to participate in a TANF program  
24          that employs a family cap policy.



1           (11) States in which African Americans make  
2           up a higher proportion of recipients are statistically  
3           more likely to adopt time limits shorter than the  
4           Federal Government requires. Approximately  $\frac{2}{3}$  of  
5           all families that will exhaust their allowable time on  
6           welfare are families of color.

7           (12) Overall, 78 percent of children with immi-  
8           grant parents are themselves born in the United  
9           States and are therefore eligible for services if poor.  
10          Nearly  $\frac{1}{4}$  of all children of immigrants live in poor  
11          families and 23 percent of all poor children in the  
12          United States are either first- or second-generation  
13          immigrants. Immigrants whose children are eligible  
14          for public benefits often don't know about the serv-  
15          ices, are afraid to access them, or are incorrectly  
16          turned away.

17          (13) About 25 percent of former welfare recipi-  
18          ents have no paid employment and have either no  
19          partner or a partner who is unemployed.

20          (14) Under welfare reform, single mothers have  
21          been forced to work at unsafe and hazardous job  
22          sites and to be subject to sexual harassment and ra-  
23          cial discrimination.

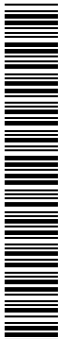
24          (15) Most single mothers who leave welfare for  
25          work do not earn enough in wages to lift their fami-



1 lies out of poverty, even several years after leaving  
2 welfare. 55 percent remain poor 1 year after leaving  
3 welfare; 49 percent 3 years after and 42 percent 5  
4 years after. Only about  $\frac{1}{3}$  of all leavers have in-  
5 comes above 150 percent of the poverty line years  
6 after going off welfare.

7 (16) Adolescent children of single mothers who  
8 have left welfare for work have school performance  
9 rates below those of other low-income children. Early  
10 studies of families in welfare-to-work programs in  
11 Florida, Minnesota, and Canada have found unex-  
12 pected evidence that their adolescent children have  
13 lower academic achievement and more behavioral  
14 problems than the children of other welfare house-  
15 holds. The researchers hypothesized that parents in  
16 the programs might have less time and energy to  
17 monitor their adolescents' behavior once they were  
18 employed; that under the stress of working, they  
19 might adopt harsher parenting styles; or that the  
20 adolescents' assuming more responsibilities at home  
21 when parents got jobs was creating too great a bur-  
22 den.

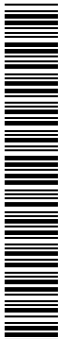
23 (17) Under welfare reform, when families lost  
24 income regardless of the reason, children were more  
25 likely to experience bad outcomes such as increased



1 school suspensions, behavior and mental health prob-  
2 lems including symptoms of depression, an increase  
3 in the number of children removed from their moth-  
4 er's care, increased enrollment in special classes for  
5 behavioral or emotional problems, and health prob-  
6 lems such as increased trips to the emergency room.  
7 In programs where both employment and income  
8 were increased, the impact on children was more  
9 positive.

10 (18) Most single mothers on welfare who are el-  
11 igible for the exemption from cooperating in estab-  
12 lishing paternity are not made aware of this option.

13 (19) 35 percent of low-income families reported  
14 mental health problems according to a 1999 study.  
15 Similar rates of mental health problems have been  
16 found among welfare recipients. Among California  
17 welfare program participants, more than  $\frac{1}{3}$  had at  
18 least 1 diagnosable mental health problem in the  
19 previous 12 months, and about 20 percent had 2 or  
20 more. Nationally, between 70 and 90 percent of  
21 working-age adults with serious mental health prob-  
22 lems are unemployed. According to a 2001 study,  
23 major depression significantly decreases the likeli-  
24 hood that a woman receiving welfare will be em-  
25 ployed and the presence of 1 or more of 4 psy-





1        chiatric disorders increases the likelihood of receiv-  
2        ing cash assistance by 32 percent.

3            (20) Over half of women receiving welfare have  
4        been victims of domestic violence as adults. Accord-  
5        ing to several studies, a quarter to a third of welfare  
6        recipients report having been abused within the last  
7        year. Abusive partners often interfere with women's  
8        attempts to work or to obtain education.

9        **SEC. 4. AMENDMENT OF SOCIAL SECURITY ACT.**

10       Except as otherwise expressly provided, wherever in  
11       this Act an amendment or repeal is expressed in terms  
12       of an amendment to, or repeal of, a section or other provi-  
13       sion, the amendment or repeal shall be considered to be  
14       made to a section or other provision of the Social Security  
15       Act.

16       **TITLE I—GENERAL PROVISIONS**

17       **SEC. 101. PURPOSES.**

18       Section 401(a)(1) (42 U.S.C. 601(a)(1)) is amended  
19       to read as follows:

20            “(1) IN GENERAL.—The purpose of this part is  
21        to end child and family poverty by—

22            “(A) supporting caregivers so that children  
23        may be cared for in their own homes;



1 “(B) promoting education, training, work  
2 supports, and access to jobs that pay a living  
3 wage;

4 “(C) assuring access to Medicaid, Food  
5 Stamps, child care, and such other assistance  
6 for which the family is eligible;

7 “(D) providing access to services to ad-  
8 dress barriers to leaving poverty, including  
9 mental health, disability, substance abuse, do-  
10 mestic violence, and sexual assault; and

11 “(E) reducing poverty of families with chil-  
12 dren.”.

13 **SEC. 102. STATE PLAN.**

14 (a) IN GENERAL.—Section 402(a) (42 U.S.C.  
15 602(a)) is amended—

16 (1) in paragraph (1)—

17 (A) in subparagraph (A)—

18 (i) by striking clause (ii) and redesign-  
19 ating clauses (iii) and (iv) as clauses (ii)  
20 and (iii), respectively; and

21 (ii) by striking clauses (v) and (vi);  
22 and

23 (B) in subparagraph (B)—

24 (i) in clause (iii), by inserting “and  
25 will notify recipients of assistance under



1 the program of the rights of individuals  
2 under all laws applicable to program activi-  
3 ties” before the period;

4 (ii) by striking clauses (i) and (iv) and  
5 redesignating clauses (ii) and (iii) as  
6 clauses (i) and (ii), respectively;

7 (2) in paragraph (7), by striking subparagraph  
8 (B) and inserting the following:

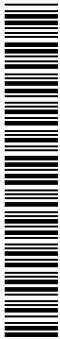
9 “(B) DOMESTIC OR SEXUAL VIOLENCE DE-  
10 FINED.—In this title, the term ‘domestic or sex-  
11 ual violence’ has the same meaning as ‘battered  
12 or subject to extreme cruelty’ in section  
13 402(a)(7)(C)(ii).”; and

14 (3) by adding at the end the following:

15 “(7) CERTIFICATIONS REGARDING DOMESTIC  
16 AND SEXUAL VIOLENCE, MENTAL ILLNESS, DIS-  
17 ABILITY, AND SUBSTANCE ABUSE.—

18 “(A) STANDARDS AND PROCEDURES.—A  
19 certification by the chief executive officer of the  
20 State that the State has established and is en-  
21 forcing standards and procedures to ensure that  
22 the State will do the following:

23 “(i) ADDRESS RECIPIENT’S BARRIERS  
24 TO LEAVING POVERTY.—Address the needs  
25 of a recipient who has a mental health



1 problem, disability, or substance abuse ad-  
2 diction, or who is dealing with domestic or  
3 sexual violence, including how the State  
4 will, at the time of application, at a recipi-  
5 ent's request, and before imposing any  
6 sanction or penalty for noncompliance—

7 “(I) have trained caseworkers  
8 screen, and, at the option of the re-  
9 cipient, qualified professionals assess  
10 and identify individuals who are deal-  
11 ing with a mental health problem, dis-  
12 ability, substance abuse addiction, or  
13 domestic or sexual violence;

14 “(II) in the case of an individual  
15 who is so identified, at the option of  
16 the individual, refer the individual and  
17 affected children or other close family  
18 members for appropriate treatment,  
19 counseling, vocational rehabilitation,  
20 job training, and other services;

21 “(III) coordinate, contract, or  
22 hire appropriate licensed qualified  
23 professionals, including licensed quali-  
24 fied mental health service providers,  
25 licensed qualified physicians or med-



1 ical service providers, licensed quali-  
2 fied substance abuse professionals, do-  
3 mestic violence coalitions, sexual as-  
4 sault coalitions, or victim services or-  
5 ganizations;

6 “(IV) ensure the strict confiden-  
7 tiality of such information; and

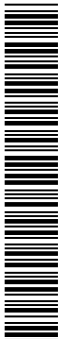
8 “(V) pursuant to a determination  
9 of good cause, waive, without time  
10 limit, any State or Federal program  
11 requirement for so long as necessary  
12 in every case in which the  
13 requirement—

14 “(aa) makes it more difficult  
15 for the individual to manage his  
16 or her mental health problem,  
17 disability, substance abuse addic-  
18 tion, or domestic or sexual vio-  
19 lence situation;

20 “(bb) unfairly penalizes the  
21 individual; or

22 “(cc) makes the individual  
23 unsafe.

24 “(ii) USE OF QUALIFIED PROFES-  
25 SIONALS.—Enter into contracts with or



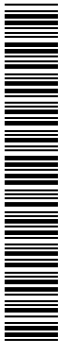
1 employ qualified professionals for the pro-  
2 vision of services in each of the fields of  
3 mental health, substance abuse, disability,  
4 and domestic or sexual violence, and that  
5 the contracts will require that, in the case  
6 of an individual who has multiple such bar-  
7 riers, the qualified professionals assigned  
8 to the case will collaborate to provide the  
9 individual with integrated, comprehensive  
10 services.

11 “(B) DEFINITIONS.—In this paragraph:

12 “(i) DOMESTIC VIOLENCE COALI-  
13 TION.—The term ‘domestic violence coali-  
14 tion’ means a nonprofit, nongovernmental  
15 membership organization that—

16 “(I) consists of the entities car-  
17 rying out a majority of the domestic  
18 violence programs carried out in a  
19 State;

20 “(II) collaborates and coordinates  
21 activities with Federal, State, and  
22 local entities to further the purposes  
23 of domestic violence intervention and  
24 prevention; and



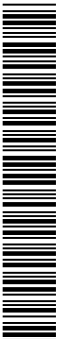
1 “(III) among other activities,  
2 provides training and technical assist-  
3 ance to entities carrying out domestic  
4 violence programs in a State, terri-  
5 tory, political subdivision, or area  
6 under Federal authority.

7 “(ii) SEXUAL ASSAULT COALITION.—  
8 The term ‘sexual assault coalition’ means a  
9 nonprofit, nongovernmental membership  
10 organization that—

11 “(I) consists of the entities car-  
12 rying out a majority of the sexual as-  
13 sault programs carried out in a State;

14 “(II) collaborates and coordinates  
15 activities with Federal, State, and  
16 local entities to further the purposes  
17 of sexual assault intervention and pre-  
18 vention; and

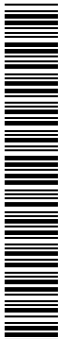
19 “(III) among other activities,  
20 provides training and technical assist-  
21 ance to entities carrying out sexual  
22 assault programs in a State, territory,  
23 political subdivision, or area under  
24 Federal authority.



1           “(iii) VICTIM SERVICES ORGANIZA-  
2           TION.—The term ‘victim services organiza-  
3           tion’ means a nonprofit, nongovernmental  
4           organization that provides assistance to  
5           victims of domestic or sexual violence or to  
6           advocates for such victims, including a  
7           rape crisis center, an organization carrying  
8           out a domestic violence program, an orga-  
9           nization operating a shelter or providing  
10          counseling services, or an organization pro-  
11          viding assistance through the legal process.

12          “(iv) LICENSED QUALIFIED MENTAL  
13          HEALTH SERVICE PROVIDER.—The term  
14          ‘licensed qualified mental health service  
15          provider’ means a psychiatrist, clinical psy-  
16          chologist, clinical social worker, community  
17          mental health counselor, or other licensed  
18          individual who has appropriate training in  
19          the diagnosis and treatment of mental ill-  
20          ness in children, adolescents, and adults or  
21          provides mental health services reimbursed  
22          under title XVIII or a State plan approved  
23          under title XIX.

24          “(v) QUALIFIED PROFESSIONAL.—The  
25          term ‘qualified professional’ means—





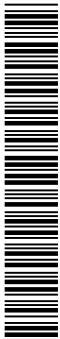
1 “(I) with respect to a disability, a  
2 physician or other licensed medical  
3 provider;

4 “(II) with respect to substance  
5 abuse, a licensed drug counselor or  
6 clinician with expertise in the assess-  
7 ment and treatment of parents with  
8 drug addiction issues, who may be af-  
9 filiated with an out-patient or residen-  
10 tial family drug or alcohol treatment  
11 program; or

12 “(III) with respect to domestic or  
13 sexual violence—

14 “(aa) a State or tribal do-  
15 mestic violence coalition or sexual  
16 assault coalition; or

17 “(bb) a State or local victim  
18 services organization with recog-  
19 nized expertise in the dynamics  
20 of domestic or sexual violence  
21 whose primary mission is to pro-  
22 vide services to victims of domes-  
23 tic or sexual violence, such as a  
24 rape crisis center or domestic vio-  
25 lence program.



1           “(8) CERTIFICATION REGARDING ASSESSMENT  
2           OF REGIONAL ECONOMIES AND INFORMING LOCAL-  
3           ITIES OF SECTORAL LABOR SHORTAGES.—A certifi-  
4           cation by the chief executive officer of the State  
5           that, during the fiscal year, the State will assess its  
6           regional economies and provide information to polit-  
7           ical subdivisions of the State about the industrial  
8           sectors that are experiencing a labor shortage and  
9           that provide higher entry-level wage opportunities  
10          for unemployed and underemployed job seekers.”.

11 **SEC. 103. FUNDING.**

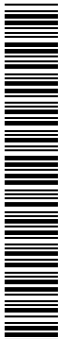
12          (a) FAMILY ASSISTANCE GRANT.—Section 403(a)(1)  
13 (42 U.S.C. 603(a)(1)) is amended in each of subpara-  
14 graphs (A) and (E) by striking “1996, 1997, 1998, 1999,  
15 2000, 2001, and 2002” and inserting “1996 through  
16 2008”.

17          (b) INFLATION ADJUSTMENT.—Section 403(a)(1)  
18 (42 U.S.C. 603(a)(1)) is amended—

19           (1) in subparagraph (B)—

20           (A) by striking “means the greatest of—”  
21           and inserting “means, with respect to a fiscal  
22           year specified in subparagraph (A) of this  
23           paragraph—

24           “(i) the greatest of—”;



1 (B) by redesignating each of clauses (i),  
2 (ii)(I), (ii)(II), and (iii) as subclauses (I),  
3 (II)(aa), (II)(bb), and (III), respectively;

4 (C) by indenting each of the provisions  
5 specified in subparagraph (B) of this paragraph  
6 2 additional ems to the right;

7 (D) by striking the period and inserting “;  
8 multiplied by”; and

9 (E) by adding at the end the following:

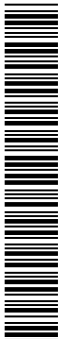
10 “(ii) 1.00, plus the inflation percent-  
11 age (as defined in subparagraph (F) of  
12 this paragraph) in effect for the fiscal year  
13 specified in subparagraph (A) of this para-  
14 graph.”; and

15 (2) by adding at the end the following:

16 “(F) INFLATION PERCENTAGE.—For pur-  
17 poses of subparagraph (B) of this paragraph:

18 “(i) IN GENERAL.—Except as pro-  
19 vided in clause (ii), the inflation percentage  
20 applicable to a fiscal year is the percentage  
21 (if any) by which—

22 “(I) the average of the Consumer  
23 Price Index (as defined in section  
24 1(f)(5) of the Internal Revenue Code  
25 of 1986) for the 12-month period end-



1 ing on September 30 of the imme-  
2 diately preceding fiscal year; exceeds

3 “(II) the average of the Con-  
4 sumer Price Index (as so defined) for  
5 the 12-month period ending on Sep-  
6 tember 30, 2001.

7 “(ii) SPECIAL RULE FOR FISCAL YEAR  
8 2003.—The inflation percentage applicable  
9 to fiscal year 2003 is  $\frac{1}{2}$  of the inflation  
10 percentage determined under clause (i) for  
11 fiscal year 2003.”.

12 (c) REPLACEMENT OF BONUS TO REWARD DE-  
13 CREASE IN ILLEGITIMACY RATIO WITH CHILD POVERTY  
14 REDUCTION BONUS.—Section 403(a)(2) (42 U.S.C.  
15 603(a)) is amended to read as follows:

16 “(2) BONUS TO REWARD STATES THAT REDUCE  
17 CHILD POVERTY.—

18 “(A) IN GENERAL.—Beginning with fiscal  
19 year 2003, the Secretary shall make a grant  
20 pursuant to this paragraph to each State for  
21 each fiscal year for which the State is a quali-  
22 fied child poverty reduction State.

23 “(B) AMOUNT OF GRANT.—

24 “(i) IN GENERAL.—Subject to this  
25 subparagraph, the amount of the grant to



1 be made to a qualified child poverty reduc-  
2 tion State for a fiscal year shall be an  
3 amount equal to—

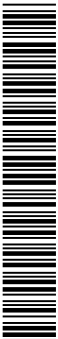
4 “(I) the number of children who  
5 had not attained 18 years of age by  
6 the end of the then most recently  
7 completed calendar year and who re-  
8 sided in the State as of the end of  
9 such calendar year, divided by the  
10 number of such children who resided  
11 in the United States as of the end of  
12 such calendar year; multiplied by

13 “(II) the amount appropriated  
14 pursuant to subparagraph (F) for the  
15 fiscal year.

16 “(ii) LIMITATIONS.—

17 “(I) MINIMUM GRANT.—The  
18 amount of the grant to be made to a  
19 qualified child poverty reduction State  
20 for a fiscal year shall be not less than  
21 \$1,000,000.

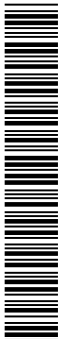
22 “(II) MAXIMUM GRANT.—The  
23 amount of the grant to be made to a  
24 qualified child poverty reduction State  
25 for a fiscal year shall not exceed an



1 amount equal to 5 percent of the  
2 State family assistance grant for the  
3 fiscal year.

4 “(iii) PRO RATA INCREASE.—If the  
5 amount available for grants under this  
6 paragraph for a fiscal year is greater than  
7 the total amount of payments otherwise re-  
8 quired to be made under this paragraph  
9 for the fiscal year, then the amount other-  
10 wise payable to any State for the fiscal  
11 year under this paragraph shall, subject to  
12 clause (ii)(II), be increased by such equal  
13 percentage as may be necessary to ensure  
14 that the total of the amounts payable for  
15 the fiscal year under this paragraph equals  
16 the amount available for the grants.

17 “(iv) PRO RATA REDUCTION.—If the  
18 amount available for grants under this  
19 paragraph for a fiscal year is less than the  
20 total amount of payments otherwise re-  
21 quired to be made under this paragraph  
22 for the fiscal year, then the amount other-  
23 wise payable to any State for the fiscal  
24 year under this paragraph shall, subject to  
25 clause (ii)(I), be reduced by such equal



1 percentage as may be necessary to ensure  
2 that the total of the amounts payable for  
3 the fiscal year under this paragraph equals  
4 the amount available for the grants.

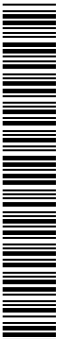
5 “(v) SPECIAL RULE FOR FISCAL YEAR  
6 2003.—The amount payable to a State  
7 under this paragraph for fiscal year 2003  
8 shall be  $\frac{1}{2}$  of the amount otherwise so  
9 payable.

10 “(C) USE OF GRANT.—A State to which a  
11 grant is made under this paragraph shall use  
12 the grant for any purpose for which a grant  
13 made under this part may be used.

14 “(D) DEFINITIONS.—In this paragraph:

15 “(i) QUALIFIED CHILD POVERTY RE-  
16 Duction STATE.—The term ‘qualified  
17 child poverty reduction State’ means, with  
18 respect to a fiscal year, a State if—

19 “(I) the child poverty rate  
20 achieved by the State for the then  
21 most recently completed calendar year  
22 for which such information is avail-  
23 able is less than the lowest child pov-  
24 erty rate achieved by the State during  
25 the applicable period; and



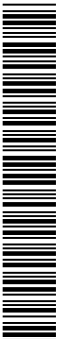
1 “(II) the average depth of child  
2 poverty in the State for the then most  
3 recently completed calendar year for  
4 which such information is available is  
5 not greater than the average depth of  
6 child poverty in the State for the cal-  
7 endar year that precedes such then  
8 most recently completed calendar  
9 year.

10 “(ii) APPLICABLE PERIOD.—In clause  
11 (i), the term ‘applicable period’ means,  
12 with respect to a State and the calendar  
13 year referred to in clause (i)(I), the period  
14 that—

15 “(I) begins with the calendar  
16 year that, as of October 1, 2002, pre-  
17 cedes the then most recently com-  
18 pleted calendar year for which such  
19 information is available; and

20 “(II) ends with the calendar year  
21 that precedes the calendar year re-  
22 ferred to clause (i)(I).

23 “(iii) CHILD POVERTY RATE.—The  
24 term ‘child poverty rate’ means, with re-  
25 spect to a State and a calendar year, the





1 percentage of children residing in the State  
2 during the calendar year whose family in-  
3 come for the calendar year is less than the  
4 poverty line then applicable to the family.

5 “(iv) AVERAGE DEPTH OF CHILD POV-  
6 ERTY.—The term ‘average depth of child  
7 poverty’ means with respect to a State and  
8 a calendar year, the average dollar amount  
9 by which family income is exceeded by the  
10 poverty line, among children in the State  
11 whose family income for the calendar year  
12 is less than the applicable poverty line.

13 “(v) POVERTY LINE.—The term ‘pov-  
14 erty line’ has the meaning given the term  
15 in section 673(2) of the Omnibus Budget  
16 Reconciliation Act of 1981, including any  
17 revision required by such section applicable  
18 to a family of the size involved.

19 “(E) FAMILY INCOME DETERMINATIONS.—  
20 For purposes of this paragraph, family income  
21 includes cash income, child support payments,  
22 government cash payments, and benefits under  
23 the Food Stamp Act of 1977 that are received  
24 by any family member, and family income shall  
25 be determined after payment of all taxes and



1 receipt of any tax refund or rebate by any fam-  
2 ily member.

3 “(F) APPROPRIATIONS.—

4 “(i) IN GENERAL.—Out of any money  
5 in the Treasury of the United States not  
6 otherwise appropriated, there are  
7 appropriated—

8 “(I) for fiscal year 2003,  
9 \$75,000,000 for grants under this  
10 paragraph; and

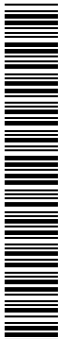
11 “(II) for fiscal year 2004 and  
12 each fiscal year thereafter  
13 \$150,000,000 for grants under this  
14 paragraph.

15 “(ii) AVAILABILITY.—Amounts made  
16 available under clause (i) shall remain  
17 available until expended.”.

18 (d) SUPPLEMENTAL GRANT FOR POPULATION IN-  
19 CREASES IN CERTAIN STATES.—Section 403(a)(3) (42  
20 U.S.C. 603(a)) is amended—

21 (1) in subparagraph (A)(ii), by striking “,  
22 2000, and 2001” and inserting “through 2008”;

23 (2) by striking subparagraphs (C) and (D) and  
24 inserting the following:



1           “(C) QUALIFYING STATE.—For purposes  
2           of this paragraph, a State is a qualifying State  
3           for a fiscal year if rate at which the population  
4           of the State with income less than 200 percent  
5           of the poverty line has increased (as determined  
6           by the Bureau of the Census) for the most re-  
7           cent fiscal year for which information is avail-  
8           able exceeds the such rate for all States (as so  
9           determined) for such most recent fiscal year.

10           “(D) STATE DEFINED.—In this paragraph,  
11           the term ‘State’ means each of the 50 States of  
12           the United States, the District of Columbia,  
13           Puerto Rico, the United States Virgin Islands,  
14           and Guam.”; and

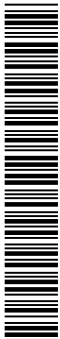
15           (3) in subparagraph (E)—

16           (A) by striking “1998, 1999, 2000, and  
17           2001” and inserting “2003 through 2008”; and

18           (B) by striking “\$800,000,000” and in-  
19           serting “\$2,000,000,000”.

20           (e) AMENDMENT OF BONUS TO REWARD HIGH PER-  
21           FORMANCE STATES.—Section 403(a)(4) (42 U.S.C.  
22           603(a)(4)) is amended to read as follows:

23           “(4) BONUS TO REWARD HIGH PERFORMANCE  
24           STATES.—



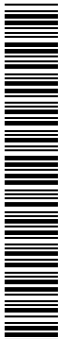
1           “(A) IN GENERAL.—The Secretary shall  
2           make a grant pursuant to this paragraph to  
3           each State for each bonus year for which the  
4           State is a high performing State with respect to  
5           a category described in subparagraph (C).

6           “(B) AMOUNT OF GRANT.—

7                   “(i) IN GENERAL.—Subject to clause  
8                   (ii) of this subparagraph, the Secretary  
9                   shall determine the amount of the grant  
10                  payable under this paragraph to a high  
11                  performing State for a bonus year with re-  
12                  spect to a category, which shall be based  
13                  on the score assigned to the State under  
14                  subparagraph (D)(i) with respect to the  
15                  category for the fiscal year that imme-  
16                  diately precedes the bonus year.

17                  “(ii) LIMITATION.—The total of the  
18                  amounts payable to a State under this  
19                  paragraph for a bonus year shall not ex-  
20                  ceed 5 percent of the State family assist-  
21                  ance grant.

22           “(C) FORMULA FOR MEASURING STATE  
23           PERFORMANCE.—Not later than October 1,  
24           2003, the Secretary shall, in consultation with  
25           affected groups, including recipient groups and



1 State governors, issue regulations implementing  
2 criteria for awarding of bonuses under this  
3 paragraph in the following categories:

4 “(i) PREPARATION AND PLACEMENT  
5 OF RECIPIENTS IN EMPLOYMENT THAT  
6 WILL MOVE FAMILIES OUT OF POVERTY.—

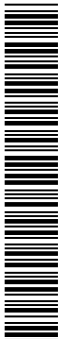
7 The degree of success in implementing em-  
8 ployment-related measures, including job  
9 entry, job retention and earnings gain  
10 rates, improvement in each of such meas-  
11 ures, and the success of States in—

12 “(I) meeting self-sufficiency  
13 needs for welfare leavers;

14 “(II) training, placing and re-  
15 taining welfare leavers in higher-  
16 waged jobs identified in the assess-  
17 ment most recently submitted by the  
18 State pursuant to section 411(d);

19 “(III) training, placing and re-  
20 taining welfare leavers in technical,  
21 professional, or nontraditional occupa-  
22 tions for women;

23 “(IV) providing career develop-  
24 ment assistance related to higher-  
25 waged jobs including reliable, up-to-



1 date career counseling services, em-  
2 ployability assessments on available  
3 employment that pays a sustainable  
4 wage, nontraditional training and edu-  
5 cation options, and employment op-  
6 portunities;

7 “(V) encouraging participation in  
8 post-secondary educational programs;

9 “(VI) encouraging use of effec-  
10 tive literacy programs that strengthen  
11 basic skills in the context of employ-  
12 ment; and

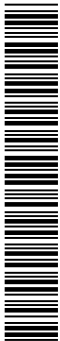
13 “(VII) encouraging participation  
14 in vocational education programs for  
15 occupations identified in the assess-  
16 ment most recently submitted by the  
17 State pursuant to section 411(d).

18 “(ii) REMOVAL OF BARRIERS TO SELF  
19 SUFFICIENCY.—The degree of success in  
20 removing mental health, substance abuse,  
21 disability, or domestic or sexual violence  
22 barriers to escaping poverty, which shall be  
23 based on an equal weighting of the fol-  
24 lowing:



1                   “(I) NOTIFICATION.—The per-  
2                   centage of individuals receiving assist-  
3                   ance under this part who report hav-  
4                   ing been notified of the option to be  
5                   assessed for and receive services to  
6                   manage a barrier to escaping poverty.  
7                   A State shall not be eligible for a  
8                   grant under this paragraph with re-  
9                   spect to the category described in this  
10                  subparagraph unless at least 75 per-  
11                  cent of the individuals surveyed by the  
12                  State respond in the affirmative to the  
13                  question of whether the individual has  
14                  received the notification.

15                  “(II) TRAINING.—The percent-  
16                  age of caseworkers, supervisors, and  
17                  new employees who have been trained  
18                  in a curriculum developed by or in col-  
19                  laboration with qualified professionals  
20                  in each of mental health, substance  
21                  abuse, disability, or domestic or sexual  
22                  violence services. A State shall not be  
23                  eligible for a grant under this para-  
24                  graph with respect to the category de-  
25                  scribed in this subparagraph unless at

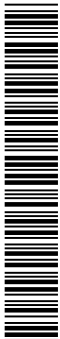


1 least 80 percent of the caseworkers,  
2 supervisors, and employees admin-  
3 istering the State program funded  
4 under this part have been trained in  
5 the curriculum.

6 “(III) ASSESSMENT AND SERV-  
7 ICES.—The State must certify that  
8 the State has contracts with or em-  
9 ploys qualified professionals in mental  
10 health, substance abuse, disability, or  
11 domestic or sexual violence services,  
12 and that the contract requires that  
13 where an individual has multiple bar-  
14 riers the professional service providers  
15 will collaborate to provide the indi-  
16 vidual holistic services.

17 “(iii) PROVISION OF WORK SUP-  
18 PORTS.—The extent to which the State has  
19 increased the percentages described to in  
20 the following subclauses in comparison to  
21 the percentages achieved in fiscal year  
22 2001:

23 “(I) FOOD STAMPS MEASURES.—  
24 Of the number of families with chil-  
25 dren in the State who are eligible to

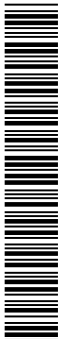




1 receive food stamp benefits under the  
2 Food Stamp Act of 1977, the percent-  
3 age who receive such benefits.

4 “(II) MEDICAID AND SCHIP  
5 MEASURES.—Of the individuals who  
6 have ceased receiving assistance under  
7 the State program funded under this  
8 part for 4 or more months, and are el-  
9 igible to receive medical assistance  
10 under a State plan approved under  
11 title XIX or the child health assist-  
12 ance under a State plan approved  
13 under title XXI, the percentage who  
14 receive such medical or child health  
15 assistance.

16 “(III) CHILD CARE MEASURES.—  
17 Of the children in the State who meet  
18 the maximum allowable Federal eligi-  
19 bility requirements for benefits under  
20 the Child Care and Development  
21 Block Grant Act of 1990, the percent-  
22 age who receive such benefits, includ-  
23 ing any such children who receive  
24 child care benefits provided with addi-  
25 tional State or Federal funds, includ-



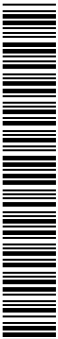
1 ing Head Start Funds. In taking the  
2 percentage into account for purposes  
3 of this clause, the Secretary shall also  
4 consider (aa) the affordability of child  
5 care subsidies by including a compari-  
6 son of co-payment rates charged to el-  
7 igible families, and (bb) the propor-  
8 tion of market rates paid to providers  
9 of subsidized child care as determined  
10 by a market rate survey that was  
11 taken not more than 2 years earlier.

12 “(D) SCORING OF STATE PERFORMANCE;  
13 SETTING OF PERFORMANCE THRESHOLDS.—  
14 For each bonus year, the Secretary shall—

15 “(i) use the formula developed under  
16 subparagraph (C) for a measure to assign  
17 a score to each eligible State with respect  
18 to the measure for the fiscal year that im-  
19 mediately precedes the bonus year; and

20 “(ii) prescribe a performance thresh-  
21 old for each such measure in such a man-  
22 ner so as to ensure that—

23 “(I) the average annual total  
24 amount of grants to be made under



1 this paragraph for each bonus year  
2 equals \$278,333,333; and

3 “(II) the total amount of grants  
4 to be made under this paragraph for  
5 all bonus years equals  
6 \$1,670,000,000.

7 “(E) DEFINITIONS.—In this paragraph:

8 “(i) BONUS YEAR.—The term ‘bonus  
9 year’ means fiscal years 2003 through  
10 2008.

11 “(ii) HIGH PERFORMING STATE.—The  
12 term ‘high performing State’ means, with  
13 respect to a measure and a bonus year, an  
14 eligible State whose score assigned pursu-  
15 ant to subparagraph (D)(i) with respect to  
16 the measure for the fiscal year immediately  
17 preceding the bonus year equals or exceeds  
18 the performance threshold prescribed  
19 under subparagraph (D)(ii) with respect to  
20 the measure for such preceding fiscal year.

21 “(F) APPROPRIATION.—Out of any money  
22 in the Treasury of the United States not other-  
23 wise appropriated, there are appropriated for  
24 fiscal years 2003 through 2008 \$1,670,000,000  
25 for grants under this paragraph.”.



1 (f) ELIMINATION OF WELFARE-TO-WORK GRANTS.—

2 (1) IN GENERAL.—

3 (A) GRANTS TO STATES.—Section 403(a)  
4 (42 U.S.C. 603(a)) is amended by striking  
5 paragraph (5).

6 (B) GRANTS TO INDIAN TRIBES.—Section  
7 412(a) (42 U.S.C. 612(a)) is amended by strik-  
8 ing paragraph (3).

9 (2) CONFORMING AMENDMENTS.—

10 (A) Section 413 (42 U.S.C. 613) is amend-  
11 ed by striking subsection (j).

12 (B) Section 510 (42 U.S.C. 710) is re-  
13 pealed.

14 (C) Section 404(k)(1)(C) (42 U.S.C.  
15 604(k)(1)(C)) is amended—

16 (i) by adding “and” at the end of  
17 clause (ii);

18 (ii) by striking clause (iii); and

19 (iii) by redesignating clause (iv) as  
20 clause (iii).

21 (g) 50 PERCENT FEDERAL MATCH FOR STATE  
22 FUNDING IN EXCESS OF REQUIRED MAINTENANCE OF  
23 EFFORT LEVEL.—Section 403(a) (42 U.S.C. 603(a)), as  
24 amended by subsection (e)(1)(A) of this section, is amend-  
25 ed by adding at the end the following:



1           “(5) MATCHING GRANTS FOR STATE EXPENDI-  
2           TURES EXCEEDING REQUIRED MAINTENANCE OF EF-  
3           FORT LEVEL.—

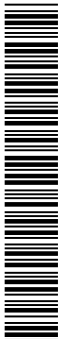
4           “(A) IN GENERAL.—Each eligible State  
5           shall be entitled to receive from the Secretary  
6           for a fiscal year a grant in an amount equal to  
7           the amount (if any) by which the total of the  
8           qualified State expenditures (as defined in sec-  
9           tion 409(a)(7)(B)(i)) for the fiscal year exceeds  
10          the applicable percentage (as defined in section  
11          409(a)(7)(B)(ii)) of historic State expenditures  
12          (as defined in section 409(a)(7)(B)(iii)) with re-  
13          spect to the fiscal year.

14          “(B) APPROPRIATION.—Out of any money  
15          in the Treasury of the United States not other-  
16          wise appropriated, there are appropriated such  
17          sums as are necessary for grants under this  
18          section for fiscal years 2003 through 2008.”.

19          (h) CONTINGENCY FUND.—

20          (1) IN GENERAL.—Section 403(b) (42 U.S.C.  
21          603(b)) is amended by striking paragraphs (2)  
22          through (7) and inserting the following:

23          “(2) DEPOSITS INTO FUND.—Out of any money  
24          in the Treasury of the United States not otherwise  
25          appropriated, there are appropriated for each of fis-



1 cal years 1997 through 2008 such sums as are nec-  
2 essary for grants under this section for the fiscal  
3 year.

4 “(3) GRANTS.—The Secretary shall make a  
5 grant to a needy State, for each eligible month with  
6 respect to the State, in an amount equal to the  
7 amount described in paragraph (6).

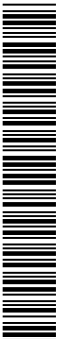
8 “(4) NEEDY STATE.—A State is a needy State  
9 for purposes of this paragraph if—

10 “(A) the rate of total unemployment in the  
11 State (seasonally adjusted) for the most recent  
12 month for which such information is available—

13 “(i) is at least 5.5 percent; or

14 “(ii) has increased by the lesser of 50  
15 percent, or 1.5 percentage points, over the  
16 lesser of the average rate of total unem-  
17 ployment in the State (seasonally adjusted)  
18 for the preceding fiscal year or such aver-  
19 age rate for the 2nd preceding fiscal year;  
20 or

21 “(B) the number of families participating  
22 in eligible State programs is at least 10 percent  
23 greater than the average monthly number of  
24 families who participated in the programs dur-  
25 ing the 2 consecutive calendar quarters of the

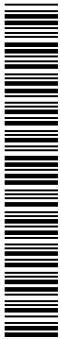


1           then most recent 8 such quarters in which such  
2           average monthly number was the least.

3           “(5) ELIGIBLE MONTH.—In paragraph (3), the  
4           term ‘eligible month’ means, with respect to a State,  
5           any month for which the State is a needy State, and  
6           each subsequent month until—

7                   “(A) 3 months has elapsed since the end  
8                   of the most recent month in which the 3-month  
9                   moving average of the rate of total unemploy-  
10                  ment in the State (seasonally adjusted) was less  
11                  than the monthly unemployment rate in the  
12                  State in the most recent month in which the  
13                  State became (or, in the absence of paragraph  
14                  (4)(B), would have become) a needy State by  
15                  reason of paragraph (4)(A); and

16                   “(B) 4 months has elapsed since the end  
17                   of the most recent month in which the number  
18                   of families participating in eligible State pro-  
19                   grams was at least as great as the number of  
20                   families so participating in the most recent  
21                   month in which the State became (or, in the ab-  
22                   sence of paragraph (4)(A), would have become)  
23                   a needy State by reason of paragraph (4)(B).



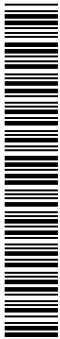
1           “(6) GRANT AMOUNT.—The amount described  
2           in this paragraph with respect to a State is an  
3           amount equal to 110 percent of—

4                   “(A) 80 percent of the average total  
5                   amount expended by the State under all eligible  
6                   State programs in the 2 consecutive calendar  
7                   quarters of the then most recent 8 such quar-  
8                   ters in which the average monthly number of  
9                   families participating in the programs was the  
10                  least; multiplied by

11                   “(B) the percentage by which the monthly  
12                   number of families participating in eligible  
13                   State programs has increased over the average  
14                   monthly number of families so participating  
15                   during the 2 consecutive quarters referred to in  
16                   subparagraph (A).

17           “(7) ELIGIBLE STATE PROGRAM DEFINED.—In  
18           this subsection, the term ‘eligible State program’  
19           means, with respect to a State, any program under  
20           which a State expenditure could be considered a  
21           qualified State expenditure (as defined in section  
22           409(a)(7)(B)(i)).”.

23           (2) EASING OF RELATED MAINTENANCE OF EF-  
24           FORT REQUIREMENT.—Section 409(a)(10) (42  
25           U.S.C. 609(a)(10)) is amended by striking “100





1       percent” and inserting “the applicable percentage  
2       (as defined in paragraph (7)(B)(ii) of this sub-  
3       section)”.

4       (i) FEDERAL LOANS FOR STATE WELFARE PRO-  
5 GRAMS.—Section 406 (42 U.S.C. 606) is amended—

6           (1) in subsection (d), by striking “10” and in-  
7       serting “20”; and

8           (2) in subsection (e), by striking  
9       “\$1,700,000,000” and inserting “\$2,000,000,000”.

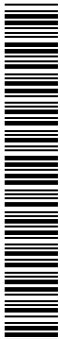
10       (j) GRANTS FOR INDIAN TRIBES.—Paragraphs  
11 (1)(A) and (2)(A) of section 412(a) (42 U.S.C.  
12 612(a)(1)(A), (2)(A)) are each amended by striking  
13 “1997, 1998, 1999, 2000, 2001, and 2002” and inserting  
14 “1997 through 2008”.

15       (k) STUDIES AND DEMONSTRATIONS.—Section  
16 413(h)(1) (42 U.S.C. 613(h)(1)) is amended by striking  
17 “2002” and inserting “2008”.

18       (l) STUDY BY THE CENSUS BUREAU.—Section  
19 414(b) (42 U.S.C. 614(b)) is amended by striking “1996,  
20 1997, 1998, 1999, 2000, 2001, and 2002” and inserting  
21 “1996 through 2008”.

22       (m) CHILD CARE ENTITLEMENT.—Section 418(a)(3)  
23 (42 U.S.C. 618(a)(3) is amended—

24           (1) by striking “and” at the end of subpara-  
25       graph (E);



1 (2) by striking the period and inserting “;  
2 and”; and

3 (3) by adding at the end the following:

4 “(G) \$5,300,333,333 for fiscal year 2003;

5 “(H) \$5,400,333,333 for fiscal year 2004;

6 “(I) \$5,500,333,333 for fiscal year 2005;

7 “(J) \$5,700,333,333 for fiscal year 2006;

8 “(K) \$5,900,333,333 for fiscal year 2007;

9 and

10 “(L) \$6,050,333,333 for fiscal year  
11 2008.”.

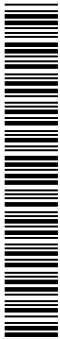
12 **SEC. 104. USE OF FUNDS.**

13 (a) ELIMINATION OF AUTHORITY TO TREAT INTER-  
14 STATE IMMIGRANTS UNDER RULES OF FORMER  
15 STATE.—Section 404 (42 U.S.C. 604) is amended by  
16 striking subsection (c).

17 (b) MODIFICATIONS TO INDIVIDUAL DEVELOPMENT  
18 ACCOUNTS.—Section 404(h) (42 U.S.C. 604(h)) is  
19 amended—

20 (1) in paragraph (2), by striking subparagraph  
21 (C) and redesignating subparagraph (D) as subpara-  
22 graph (C);

23 (2) in paragraph (5)(A), by adding at the end  
24 the following:



1                   “(iii) An institution that offers a  
2                   course of study leading to adult literacy, in  
3                   English as a second language, or a certifi-  
4                   cate of high school equivalency.”; and

5                   (3) in paragraph (5)(F), by striking “and in-  
6                   ventory” and inserting “inventory, and transpor-  
7                   tation”.

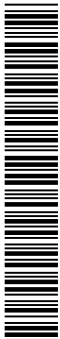
8                   (c) CONFORMING AMENDMENTS.—Section 404 (42  
9                   U.S.C. 404) is amended by striking subsections (i) and  
10                  (j) and redesignating subsection (k) as subsection (i).

## 11 **TITLE II—WORK REQUIREMENTS**

### 12 **SEC. 201. REDUCED WORK REQUIREMENT FOR PARENTS** 13 **OF SCHOOL-AGE CHILDREN WHO CANNOT** 14 **FIND ADEQUATE CHILD CARE.**

15                  Section 407(c)(1)(A) (42 U.S.C. 607(c)(1)(A)) is  
16 amended by adding at the end the following:

17                  “Notwithstanding the preceding sentence, the  
18                  maximum average number of hours per week  
19                  shall be 20 for any week in which the recipient  
20                  is the parent or caretaker relative of a child  
21                  who has attained 6 years of age and does not  
22                  have meaningful access to safe, appropriate, af-  
23                  fordable, and quality after-school or summer  
24                  care for the child.”.



1 **SEC. 202. CONFORMING THE NUMBER OF WEEKS TO THE**  
2 **UNEMPLOYMENT INSURANCE COMPENSA-**  
3 **TION STANDARD.**

4 Section 407(c)(2)(A)(i) (42 U.S.C. 607(c)(2)(A)(i))  
5 is amended by striking “6 weeks” and inserting “12  
6 weeks”.

7 **SEC. 203. REVISION OF WORK ACTIVITIES.**

8 (a) IN GENERAL.—Section 407(d) (42 U.S.C.  
9 607(d)) is amended—

10 (1) by striking paragraph (4) and inserting the  
11 following:

12 “(4) transitional work experience leading to  
13 jobs that provide an income of not less than 250  
14 percent of the poverty line;”;

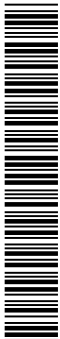
15 (2) by striking paragraph (7) and inserting the  
16 following:

17 “(7) voluntary participation in a community  
18 service program;”;

19 (3) in paragraph (8), by striking “(not to ex-  
20 ceed 12 months with respect to any individual)”;  
21 and

22 (4) by striking paragraphs (10) through (12)  
23 and inserting the following:

24 “(10) participation in a State or Federal work-  
25 study program under part C of title IV of the High-  
26 er Education Act of 1965;”;



1 “(11) education, including not more than 6  
2 hours of home study per week, in the case of a re-  
3 cipient who is enrolled—

4 “(A) at an elementary or secondary school  
5 (as defined in the Elementary and Secondary  
6 Education Act of 1965);

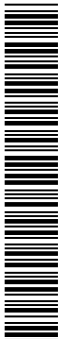
7 “(B) in a course of study leading to adult  
8 literacy, English as a second language, or a cer-  
9 tificate of high school equivalency; or

10 “(C) at an institution of higher education  
11 (as defined in section 102 of the Higher Edu-  
12 cation Act of 1965), regardless of the content  
13 of the course of study;

14 “(12) the provision of appropriate care to a  
15 child who has a disability or a serious health condi-  
16 tion (as defined in section 101(11) of the Family  
17 Medical Leave Act) or has not attained 6 years of  
18 age, by a recipient who is a parent or caretaker rel-  
19 ative of the child; and

20 “(13) participation in treatment or an edu-  
21 cational activity designed to address a mental health  
22 problem, disability, substance abuse, or domestic or  
23 sexual violence.”.

24 (b) CONFORMING AMENDMENTS.—Section 407 of  
25 such Act (42 U.S.C. 607) is amended—



1 (1) in subsection (b), by striking paragraph (5);

2 and

3 (2) in subsection (c)—

4 (A) in each of subparagraphs (A) and

5 (B)(i) of paragraph (1), by striking “not fewer

6 than” and all that follows through “subsection

7 (d),”;

8 (B) in paragraph (1)(B)(ii), by striking

9 “not fewer than” and all that follows through

10 “subsection (d)”;

11 (C) in paragraph (2), by striking subpara-

12 graph (D).

13 **SEC. 204. PENALTIES AGAINST INDIVIDUALS FOR UNJUSTI-**

14 **FIED REFUSAL TO WORK; ADDITIONAL JUS-**

15 **TIFICATIONS.**

16 (a) IN GENERAL.—Section 407(e) (42 U.S.C. 607(e))

17 is amended—

18 (1) by striking paragraph (1) and inserting the

19 following:

20 “(1) IN GENERAL.—Except as otherwise pro-

21 vided in this subsection, if an individual in a family

22 receiving assistance under the State program funded

23 under this part refuses to engage in work required

24 in accordance with this section, the State shall, sub-

25 ject to such good cause and other exceptions as the



1 State may establish, reduce the amount of assistance  
2 otherwise payable to the family on a pro rata basis,  
3 but to not less than the amount that would be pay-  
4 able to a family with the same number of children  
5 but with no adults, with respect to any period during  
6 a month in which the individual so refuses.”;

7 (2) in paragraph (2)—

8 (A) by striking “EXCEPTION” and insert-  
9 ing “CHILD CARE EXCEPTION”; and

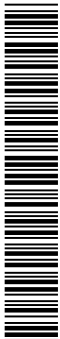
10 (B) by striking “proves that the individual  
11 has a demonstrated inability (as determined by  
12 the State)” and inserting “certifies that the in-  
13 dividual is unable”; and

14 (3) by adding at the end the following:

15 “(3) ADDITIONAL CHILD CARE EXCEPTIONS.—

16 Notwithstanding paragraph (1), a State may not re-  
17 duce or terminate assistance under the State pro-  
18 gram funded under this part based on a refusal of  
19 an individual to engage in work required in accord-  
20 ance with this section if the individual is a custodial  
21 parent or caretaker relative caring for—

22 “(A) a child who has a disability or a seri-  
23 ous health condition (as defined in section  
24 101(11) of the Family Medical Leave Act), and  
25 the individual does not have meaningful access

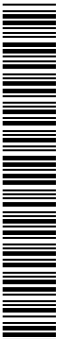


1 to safe, appropriate, affordable, and quality  
2 care for the child; or

3 “(B) a child who has attained 6 years of  
4 age, and the individual does not have meaning-  
5 ful access to safe, appropriate, affordable, and  
6 quality after-school or summer care for the  
7 child.

8 “(4) MENTAL HEALTH PROBLEM, DISABILITY,  
9 SUBSTANCE ABUSE, OR DOMESTIC OR SEXUAL VIO-  
10 LENCE EXCEPTION.—Notwithstanding paragraph  
11 (1), a State may not reduce or terminate assistance  
12 under the State program funded under this part  
13 based on the failure of any individual who has a  
14 mental health problem, disability, or substance abuse  
15 problem, or who is a victim of sexual or domestic vi-  
16 olence to engage in work required in accordance with  
17 this section if—

18 “(A) the individual is in the process of  
19 being screened or assessed for the mental  
20 health problem, disability, substance abuse  
21 problem, or sexual or domestic violence situa-  
22 tion but the screening or assessment has not  
23 been completed;





1           “(B) the individual has not been offered  
2           treatment to address the problem or disability;  
3           or

4           “(C) the individual cannot comply because  
5           of the need to seek medical, legal, or other serv-  
6           ices in relation to the mental health problem,  
7           disability, or sexual or domestic violence situa-  
8           tion.

9           “(5) MINIMUM WAGE EXCEPTION.—Notwith-  
10          standing paragraph (1), a State may not impose a  
11          sanction under the State program funded under this  
12          part on the basis of the refusal of an individual to  
13          accept any employment (including any employment  
14          offered under the program), if the wage rate for the  
15          employment does not equal or exceed the greater  
16          of—

17               “(A) the minimum wage rate then in effect  
18               under section 6 of the Fair Labor Standards  
19               Act of 1938; or

20               “(B) any minimum wage rate prescribed  
21               by or under the law of the State.

22           “(6) DISCRIMINATION EXCEPTION.—

23               “(A) IN GENERAL.—Notwithstanding para-  
24               graph (1), a State may not reduce or terminate  
25               assistance under the State program funded



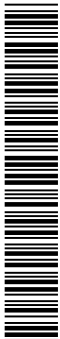
1 under this part based on the failure of any indi-  
2 vidual to engage in work required in accordance  
3 with this section if the individual certifies in a  
4 manner described in subparagraph (B) that the  
5 individual has left or refused work based on dis-  
6 crimination.

7 “(B) CERTIFICATION.—An individual may  
8 provide a certification required by subparagraph  
9 (A) by sworn written statement or by providing  
10 other documentation, including a police or court  
11 record or documentation by a shelter worker, an  
12 employee of a victim assistance program, an at-  
13 torney, a member of the clergy, or a medical or  
14 other professional from whom the individual has  
15 sought assistance as a victim.”.

16 (b) CONFORMING AMENDMENTS.—Section  
17 409(a)(11) (42 U.S.C 609(a)(11)) is amended—

18 (1) in the paragraph heading, by striking “WHO  
19 CANNOT OBTAIN CHILD CARE FOR CHILD UNDER  
20 AGE 6” and inserting “WITH JUSTIFIED REFUSAL TO  
21 WORK”; and

22 (2) in subparagraph (A), by striking  
23 “407(e)(2)” and inserting “407(e)”.



1 **SEC. 205. ELIMINATION OF MISCELLANEOUS PROVISIONS.**

2 Section 407 (42 U.S.C. 607) is amended by striking  
3 subsections (g), (h), and (i).

4 **SEC. 206. ASSESSMENT OF INDIVIDUALS FOR JOB PREPA-**  
5 **RATION.**

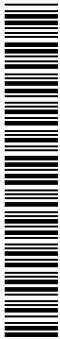
6 Section 407 (42 U.S.C. 607), as amended by section  
7 205 of this Act, is amended by adding at the end the fol-  
8 lowing:

9 “(g) ASSESSMENT OF INDIVIDUALS FOR JOB PREPA-  
10 RATION.—At the option of a recipient of assistance under  
11 a State program funded under this part, the State shall,  
12 before assigning the recipient to a work activity under the  
13 program, perform an individual assessment for the prepa-  
14 ration that is needed for the recipient to obtain and main-  
15 tain a job at a monthly wage that is at least 200 percent  
16 of the poverty line applicable to the family of the recipi-  
17 ent.”.

18 **TITLE III—PROHIBITIONS;**  
19 **REQUIREMENTS**

20 **SEC. 301. REPLACEMENT OF REQUIREMENT TO SANCTION**  
21 **INDIVIDUAL FOR NONCOOPERATION IN ES-**  
22 **TABLISHING PATERNITY OR OBTAINING**  
23 **CHILD SUPPORT WITH PROHIBITION ON RE-**  
24 **QUIRING SUCH COOPERATION.**

25 (a) IN GENERAL.—Section 408(a)(2) (42 U.S.C.  
26 608(a)(2)) is amended to read as follows:



1           “(2) PROHIBITION ON REQUIRING COOPERA-  
2           TION IN ESTABLISHING PATERNITY OR OBTAINING  
3           CHILD SUPPORT.—A State to which a grant is made  
4           under section 403 shall not penalize an individual  
5           under the State program funded under this part by  
6           reason of the failure of the individual to cooperate  
7           in establishing paternity or establishing, modifying,  
8           or enforcing a child support order with respect to a  
9           child of the recipient.”.

10          (b) CONFORMING AMENDMENTS.—Section 454(29)  
11       (42 U.S.C. 654(29)) is amended—

12               (1) by striking “the State program funded  
13               under part A,” each place it appears; and

14               (2) in subparagraph (A)(i), by striking “E,”  
15               and inserting “E”.

16       **SEC. 302. PROHIBITION ON REQUIRING ASSIGNMENT OF**  
17                       **SUPPORT RIGHTS TO THE STATE; RETURN OF**  
18                       **SUPPORT RIGHTS ASSIGNED TO THE STATE.**

19          (a) IN GENERAL.—Section 408(a)(3) (42 U.S.C.  
20       608(a)(3)) is amended to read as follows:

21               “(3) PROHIBITION ON REQUIRING ASSIGNMENT  
22               OF SUPPORT RIGHTS TO THE STATE; REQUIREMENT  
23               TO RETURN SUPPORT RIGHTS ASSIGNED TO THE  
24               STATE.—A State to which a grant is made under  
25               section 403 shall not penalize an individual or family



1 under the State program funded under this part by  
2 reason of the failure of the individual to assign to  
3 the State any rights any person may have (on behalf  
4 of the person or of any other person for whom the  
5 individual has applied for or is receiving assistance)  
6 to support from any other person. If any person has  
7 assigned any such rights to the State, the State  
8 shall assign such rights back to the person.”.

9 (b) CONFORMING AMENDMENTS.—

10 (1) Section 452 (42 U.S.C. 652) is amended—

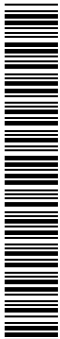
11 (A) in subsection (a)(10)(C), by striking  
12 “pursuant to section 408(a)(3) or”; and

13 (B) in subsection (h), by striking “or with  
14 respect to whom an assignment pursuant to  
15 section 408(a)(3) is in effect”.

16 (2) Section 454(5) (42 U.S.C. 654(5)) is  
17 amended by striking “(A)” and all that follows  
18 through “(B)”.

19 (3) Section 456(a)(1) (42 U.S.C. 656(a)(1)) is  
20 amended by striking “assigned to the State pursuant  
21 to section 408(a)(3) or”.

22 (4) Section 464(a)(1) (42 U.S.C. 664(a)(1)) is  
23 amended by striking “section 408(a)(3) or”.



1           (5)    Section    466(a)(3)(B)    (42    U.S.C.  
2           666(a)(3)(B)) is amended by striking “section  
3           408(a)(3) or”.

4   **SEC. 303. ELIMINATION OF SANCTION AGAINST TEENAGE**  
5                   **PARENTS NOT ATTENDING HIGH SCHOOL OR**  
6                   **OTHER EQUIVALENT TRAINING PROGRAM.**

7           Section 408(a) (42 U.S.C. 608(a)) is amended by  
8 striking paragraph (4).

9   **SEC. 304. REQUIREMENTS RELATING TO DISREGARD OF**  
10                   **CHILD SUPPORT.**

11          (a) IN GENERAL.—Section 408(a) (42 U.S.C.  
12 608(a)), as amended by section 303 of this Act, is amend-  
13 ed by inserting after paragraph (3) the following:

14               “(4) LIMITED DISREGARD OF CHILD SUP-  
15 PORT.—In determining the amount and type of as-  
16 sistance for which a family is eligible under the  
17 State program funded under this part, a State to  
18 which a grant is made under section 403 shall  
19 disregard—

20               “(A) the first \$200 (or, if the family in-  
21 cludes 2 or more children, \$400) per month dis-  
22 tributed to any family member by the State  
23 under section 457; and



1                   “(B) all child support (as defined in sec-  
2                   tion 459(i)(2)) received by any family member  
3                   from any other source.”.

4           (b) REQUIREMENT TO PASS THROUGH ALL CHILD  
5 SUPPORT.—

6           (1) IN GENERAL.—Section 457 (42 U.S.C. 657)  
7           is amended to read as follows:

8   **“SEC. 457. DISTRIBUTION OF COLLECTED CHILD SUPPORT.**

9           “(a) IN GENERAL.—Except as provided in subsection  
10 (b), all amounts collected on behalf of a family as support  
11 by a State pursuant to a plan approved under this part  
12 shall be distributed to the family.

13          “(b) EXCEPTION.—In the case of an amount collected  
14 for a family in accordance with a cooperative agreement  
15 under section 454(33), the State shall distribute the  
16 amount pursuant to the agreement.”.

17           (2) CONFORMING AMENDMENTS.—

18           (A) Section 409(a)(7)(B)(i)(I)(aa) (42  
19 U.S.C. 609(a)(7)(B)(i)(I)(aa)) is amended by  
20 striking “457(a)(1)(B)” and inserting “457”.

21           (B) Section 454B(c)(1) (42 U.S.C.  
22 654b(c)(1)) is amended by striking “457(a)”  
23 and inserting “457”.



1 **SEC. 305. ELIMINATION OF SANCTION AGAINST TEENAGE**  
2 **PARENTS NOT LIVING IN ADULT-SUPERVISED**  
3 **SETTINGS.**

4 Section 408(a) (42 U.S.C. 608(a)) is amended by  
5 striking paragraph (5).

6 **SEC. 306. PROTECTION FOR CHILDREN BORN INTO POV-**  
7 **ERTY.**

8 Section 408(a) (42 U.S.C. 608(a)), as amended by  
9 section 305 of this Act, is amended by inserting after  
10 paragraph (4) the following:

11 “(5) PROTECTION FOR CHILDREN.—A State to  
12 which a grant is made under section 403 shall not  
13 deny or limit assistance to a child born into a family  
14 receiving assistance under the State program funded  
15 under this part.”.

16 **SEC. 307. 5-YEAR TIME LIMIT.**

17 (a) REMOVAL OF LIMITATIONS.—

18 (1) ELIMINATION OF LIMITATION ON HARDSHIP  
19 EXCEPTION.—Section 408(a)(7)(C) (42 U.S.C.  
20 608(a)(7)(C)) is amended by striking clause (ii) and  
21 redesignating clause (iii) as clause (ii).

22 (2) COMPLIANCE EXCEPTION.—Section  
23 408(a)(7) (42 U.S.C. 608(a)(7)) is amended by add-  
24 ing at the end the following:

25 “(H) COMPLIANCE EXCEPTION.—In deter-  
26 mining the number of months for which an in-





1           dividual has received assistance under the State  
2           program funded under this part, the State shall  
3           disregard any month throughout which the indi-  
4           vidual is in compliance with all applicable re-  
5           quirements of the State program.”.

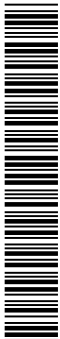
6           (b) UNIFORM DURATION OF ASSISTANCE.—Section  
7   408(a)(7)(E) (42 U.S.C. 608(a)(7)(E)) is amended to  
8   read as follows:

9                   “(E) REQUIREMENT TO PROVIDE ASSIST-  
10           ANCE FOR 5 YEARS.—Notwithstanding section  
11           407(e), a State to which a grant is made under  
12           section 403 shall not impose a limitation of  
13           fewer than 60 months on the period for which  
14           a recipient is eligible for assistance under the  
15           State program funded under this part.”.

16          (c) PROTECTION AGAINST RECESSION.—Section  
17   408(a)(7) (42 U.S.C. 608(a)(7)), as amended by sub-  
18   section (a)(2) of this section, is amended by adding at the  
19   end the following:

20                   “(I) SPECIAL RULES RELATING TO MONTH  
21           IN WHICH UNEMPLOYMENT IS HIGH OR HAS IN-  
22           CREASED SHARPLY OVER PRIOR 2 YEARS.—

23                   “(i) CLOCK STOPPED FOR CURRENT  
24           RECIPIENTS.—In determining the number  
25           of months for which an individual has re-



1           ceived assistance under the State program  
2           funded under this part, the State shall dis-  
3           regard any month that is a trigger month.

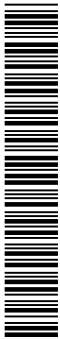
4           “(ii) TREATMENT OF FORMER RECIPI-  
5           ENTS WHO REACHED TIME LIMIT.—

6           “(I) NOTICE; DETERMINATION  
7           OF ELIGIBILITY.—On the occurrence  
8           of a trigger month, the State shall—

9           “(aa) issue a public notice  
10          that a trigger month has oc-  
11          curred; and

12          “(bb) on request of an indi-  
13          vidual who had become ineligible  
14          for assistance under the State  
15          program funded under this part  
16          by reason of this paragraph, de-  
17          termine the eligibility of the indi-  
18          vidual for such assistance as if  
19          the individual had received such  
20          assistance for 59 months.

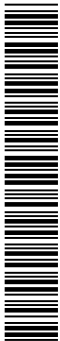
21          “(II) ADDITIONAL MONTH OF AS-  
22          SISTANCE FOR OTHERWISE ELIGIBLE  
23          FORMER RECIPIENTS.—If the indi-  
24          vidual is so determined to be eligible  
25          for such assistance, the State shall,



1                   notwithstanding subparagraph (A),  
2                   provide such assistance to the indi-  
3                   vidual for any month that is a trigger  
4                   month, but shall not provide such as-  
5                   sistance to the individual for any  
6                   month that is not a trigger month.

7                   “(iii) TRIGGER MONTH.—In this sub-  
8                   paragraph, the term ‘trigger month’  
9                   means, with respect to a State, any month  
10                  for which the unemployment rate of the  
11                  State—

12                   “(I) is at least 5.5 percent; or  
13                   “(II) has increased by the lesser  
14                   of 50 percent, or 1.5 percentage  
15                   points, over the lesser of the average  
16                   rate of total unemployment in the  
17                   State (seasonally adjusted) for the  
18                   preceding fiscal year or the average  
19                   unemployment rate of the State for  
20                   the 2nd preceding fiscal year.”.



1 **SEC. 308. REQUIREMENT TO PROVIDE NOTICE OF RIGHTS**  
2 **OF RECIPIENTS, AND TRAIN PROGRAM PER-**  
3 **SONNEL IN CARRYING OUT PROGRAM CON-**  
4 **SISTENT WITH THE RIGHTS.**

5 Section 408(a) (42 U.S.C. 608(a)) is amended by  
6 adding at the end the following:

7 “(12) REQUIREMENT TO PROVIDE NOTICE OF  
8 RIGHTS OF RECIPIENTS, AND TRAIN PROGRAM PER-  
9 SONNEL TO CARRY OUT PROGRAM CONSISTENT WITH  
10 THE RIGHTS.—A State to which a grant is made  
11 under section 403 shall—

12 “(A) notify each recipient of assistance  
13 under the program of the rights of recipients  
14 under all laws applicable to the activities of the  
15 State program funded under this part, and  
16 shall provide the notice—

17 “(i) to a recipient when the recipient  
18 enters the program;

19 “(ii) to all such recipients on a semi-  
20 annual basis; and

21 “(iii) orally and in writing, in the na-  
22 tive language of the recipient and at a 6th  
23 grade level, and if the native language is  
24 not English, a culturally competent trans-  
25 lation shall be provided; and



1           “(B) train all program personnel on a reg-  
2           ular basis in how to carry out the program con-  
3           sistent with the rights.”.

4   **SEC. 309. REQUIREMENT TO PROVIDE INFORMATION TO IN-**  
5           **DIVIDUALS WHO ARE, OR ARE AT RISK OF**  
6           **BEING, SANCTIONED.**

7           Section 408(a) (42 U.S.C. 608(a)) is further amend-  
8   ed by adding at the end the following:

9           “(13) STATE REQUIRED TO PROVIDE INFORMA-  
10          TION TO INDIVIDUAL WHO HAS BEEN, OR IS AT RISK  
11          OF BEING SANCTIONED.—A State to which a grant  
12          is made under section 403 shall provide to any indi-  
13          vidual who has been, or is at risk of being, sanc-  
14          tioned under the State program funded under this  
15          part, orally and in writing, at not more than a 6th  
16          grade level in the native language of the individual  
17          (and if the native language is not English, a cul-  
18          turally competent translation shall be provided),  
19          that—

20               “(A) program requirements may be waived  
21               for people dealing with a mental health, dis-  
22               ability, substance abuse, domestic violence, or  
23               sexual assault issue;

24               “(B) an individual dealing with a mental  
25               health, disability, substance abuse, domestic vi-



1           olence, or sexual assault issue may request (or  
2           if the individual has left or been removed from  
3           the program, may return to the program and  
4           request) to be assessed under the program for  
5           services to address those issues, including ap-  
6           propriate treatment, counseling, vocational re-  
7           habilitation, job training, or other services; and  
8           “(C) the State is required to keep any such  
9           information strictly confidential.”.

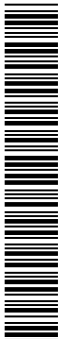
10 **SEC. 310. BAN ON COUNTING INCOME, SCHOLARSHIP, OR**  
11 **GIFT RECEIVED BY DEPENDENT MINORS.**

12       Section 408(a) (42 U.S.C. 608(a)) is further amend-  
13 ed by adding at the end the following:

14       “(14) PROHIBITION ON COUNTING INCOME,  
15       SCHOLARSHIP, OR GIFT RECEIVED BY DEPENDENT  
16       MINOR.—In determining the eligibility of a family  
17       for, and the amount and type of assistance to be  
18       provided to a family under, a State program funded  
19       under this part, the State shall disregard any in-  
20       come, scholarship, or gift received by a dependent  
21       minor child in the family.”.

22 **SEC. 311. BAN ON DIVERSION OF POTENTIAL APPLICANTS**  
23 **FOR ASSISTANCE.**

24       Section 408(a) (42 U.S.C. 608(a)) is further amend-  
25 ed by adding at the end the following:



1           “(15) BAN ON DIVERSION OF POTENTIAL AP-  
2           PLICANTS FOR ASSISTANCE.—A State may not  
3           refuse to accept, at the time of application, an appli-  
4           cation for assistance from the State program funded  
5           under this part, or give an individual reason to be-  
6           lieve that, at the time of application, the State will  
7           not unconditionally accept such an application from  
8           any individual.”.

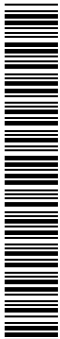
9   **SEC. 312. PROHIBITION ON REQUIRING RECIPIENTS TO RE-**  
10                   **SPOND TO SURVEYS CONDUCTED TO OBTAIN**  
11                   **INFORMATION FOR QUARTERLY REPORTS.**

12           Section 408(a) (42 U.S.C. 608(a)) is further amend-  
13   ed by adding at the end the following:

14           “(16) PROHIBITION ON REQUIRING RECIPIENTS  
15           TO RESPOND TO SURVEYS CONDUCTED TO OBTAIN  
16           INFORMATION FOR QUARTERLY REPORTS.—A State  
17           to which a grant is made under section 403 shall not  
18           penalize an individual under the State program  
19           funded under this part by reason of the failure of  
20           the individual to respond to a survey conducted to  
21           obtain information for use in a report required by  
22           section 411(a).”.

23   **SEC. 313. CONFIDENTIALITY OF PROGRAM INFORMATION.**

24           Section 408(a) (42 U.S.C. 608(a)) is further amend-  
25   ed by adding at the end the following:



1           “(17) CONFIDENTIALITY OF PROGRAM INFOR-  
2           MATION.—A State to which a grant is made under  
3           section 403 shall ensure that any information pro-  
4           vided by an individual to a State officer or employee  
5           for use by the State program funded under this part  
6           shall not be disclosed to any other person, except to  
7           the extent that the disclosure is necessary to admin-  
8           ister the program or is consented to by the indi-  
9           vidual.”.

10 **SEC. 314. NONDISCRIMINATION.**

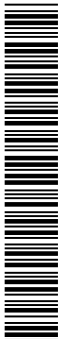
11           Section 408(a) (42 U.S.C. 608(a) is amended by add-  
12           ing at the end the following:

13           “(18) NONDISCRIMINATION.—A State to which  
14           a grant is made under section 403 shall ensure equi-  
15           table treatment of needy families in the State, and  
16           shall not discriminate among families based on mar-  
17           ital status or applicant or recipient status.”.

18 **SEC. 315. REQUIREMENT TO PROVIDE OPPORTUNITY TO**  
19 **APPEAL ADVERSE DECISION.**

20           Section 408(a) (42 U.S.C. 608(a) is amended by add-  
21           ing at the end the following:

22           “(19) REQUIREMENT TO PROVIDE OPPOR-  
23           TUNITY TO APPEAL ADVERSE DECISION.—A State to  
24           which a grant is made under section 403 shall pro-  
25           vide a recipient of assistance under the State pro-





1       gram funded under this part with the opportunity to  
2       appeal any adverse decision made with respect to the  
3       recipient under the program.”.

4   **SEC. 316. CLARIFICATION OF PENALTY FOR FAILURE TO**  
5                   **COMPLY WITH INDIVIDUAL RESPONSIBILITY**  
6                   **PLAN.**

7       Section 408(b)(3) (42 U.S.C. 608(b)(3)) is amended  
8   by striking “a family that includes”.

9   **SEC. 317. APPLICABILITY OF CIVIL RIGHTS LAWS.**

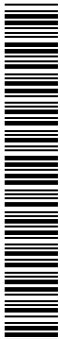
10      Section 408(d) (42 U.S.C. 608(d)) is amended—

11           (1) in paragraph (3), by inserting “, or any  
12      provision of State law relating to individuals with  
13      physical or mental disabilities” before the 2nd pe-  
14      riod; and

15           (2) by adding at the end the following:

16           “(5) Title VII of the Civil Rights Act of 1964  
17      (42 U.S.C. 2000e et seq.), or any provision of State  
18      law relating to discrimination on the basis of race,  
19      color, national origin, religion, gender, sex, parental  
20      or marital status, or sexual orientation.

21           “(6) The Age Discrimination in Employment  
22      Act of 1967 (29 U.S.C. 621–634), or any provision  
23      of State law relating to age discrimination.



1           “(7) Title IX of the Education Amendments of  
2           1972 (20 U.S.C. 1681 et seq.), or any provision of  
3           State law relating to discrimination in education.

4           “(8) The Fair Labor Standards Act of 1938  
5           (29 U.S.C. 201 et seq.), or any provision of State  
6           law relating to labor or to a term or condition of em-  
7           ployment.

8           “(9) The Occupational Safety and Health Act  
9           of 1970 (29 U.S.C. 651 et seq).

10          “(10) The National Labor Relations Act (29  
11          U.S.C. 151 et seq.).

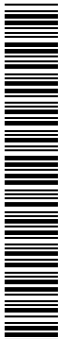
12          “(11) The Railway Labor Act (45 U.S.C. 151  
13          et seq.).

14          “(12) Any Federal law providing employee pro-  
15          tections against discrimination for union activity.

16          “(13) Any other provision of Federal or State  
17          law the purpose of which is to provide or protect a  
18          civil right.”.

19   **SEC. 318. ELIMINATION OF SPECIAL RULES RELATING TO**  
20                   **TREATMENT OF ALIENS.**

21          (a) AMENDMENTS TO THE PERSONAL RESPONSI-  
22          BILITY AND WORK OPPORTUNITY RECONCILIATION ACT  
23          OF 1996.—



1           (1) Section 401(c)(2) of the Personal Responsi-  
2           bility and Work Opportunity Reconciliation Act of  
3           1996 (8 U.S.C. 1611(c)(2)) is amended—

4                   (A) by striking “or” at the end of subpara-  
5                   graph (B);

6                   (B) by striking the period at the end and  
7                   inserting “; or”; and

8                   (C) by adding at the end the following:

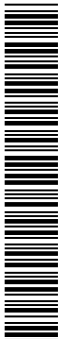
9                   “(D) to any assistance provided under a  
10                  State program funded under the program of  
11                  block grants to States for temporary assistance  
12                  for needy families under part A of title IV of  
13                  the Social Security Act.”.

14           (2)(A) Section 402(b)(3) of such Act (8 U.S.C.  
15           1612(b)(3)) is amended by striking subparagraph  
16           (A) and redesignating subparagraphs (B) and (C) as  
17           subparagraphs (A) and (B), respectively.

18                   (B) Section 402(b)(2)(A)(ii) of such Act (8  
19           U.S.C. 1612(b)(2)(A)(ii)) is amended by striking  
20           “(C)” and inserting “(B)”.

21           (3) Section 403(c)(2) of such Act (8 U.S.C.  
22           1613(c)(2)) is amended by adding at the end the fol-  
23           lowing:

24                   “(L) Assistance under a State program  
25                  funded under the program of block grants to



1 States for temporary assistance for needy fami-  
2 lies under part A of title IV of the Social Secu-  
3 rity Act.”.

4 (4) Section 423(d) of such Act (8 U.S.C. 1183a  
5 note) is amended by adding at the end the following:

6 “(12) Assistance under a State program funded  
7 under the program of block grants to States for  
8 temporary assistance for needy families under part  
9 A of title IV of the Social Security Act.”.

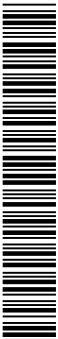
10 (b) CONFORMING AMENDMENTS.—

11 (1) Section 408 (42 U.S.C. 608) is amended by  
12 striking subsections (e) and (f) and by redesignating  
13 subsection (g) as subsection (e).

14 (2) Section 409(a)(7)(B)(i)(IV) (42 U.S.C.  
15 609(a)(7)(B)(i)(IV)) is amended—

16 (A) by striking “part,” and inserting “part  
17 and”; and

18 (B) by striking “, and families of aliens  
19 lawfully present in the United States that would  
20 be eligible for such assistance but for the appli-  
21 cation of title IV of the Personal Responsibility  
22 and Work Opportunity Reconciliation Act of  
23 1996”.



1                   **TITLE IV—PENALTIES**

2   **SEC. 401. INCREASE IN PENALTY FOR FAILURE TO SUBMIT**  
3                   **REQUIRED REPORT.**

4           Section 409(a)(2)(A) (42 U.S.C. 609(a)(2)(A)) is  
5   amended by striking “4” and inserting “5”.

6   **SEC. 402. REPLACEMENT OF PENALTY AGAINST STATE FOR**  
7                   **FAILURE TO COMPLY WITH PATERNITY ES-**  
8                   **TABLISHMENT AND CHILD SUPPORT EN-**  
9                   **FORCEMENT REQUIREMENTS WITH PENALTY**  
10                  **FOR REQUIRING COOPERATION IN ESTAB-**  
11                  **LISHING PATERNITY OR OBTAINING CHILD**  
12                  **SUPPORT (INCLUDING ASSIGNING SUPPORT**  
13                  **RIGHTS TO THE STATE) OR FAILING TO RE-**  
14                  **TURN SUPPORT RIGHTS ASSIGNED TO THE**  
15                  **STATE.**

16          Section 409(a)(5) (42 U.S.C. 609(a)(5)) is amended  
17   to read as follows:

18                  “(5) PENALTY FOR REQUIRING COOPERATION  
19                  IN ESTABLISHING PATERNITY OR OBTAINING CHILD  
20                  SUPPORT (INCLUDING ASSIGNING SUPPORT RIGHTS  
21                  TO THE STATE) OR FAILING TO RETURN SUPPORT  
22                  RIGHTS ASSIGNED TO THE STATE.—If the Secretary  
23                  determines that a State to which a grant is made  
24                  under section 403 for a fiscal year has violated para-  
25                  graph (2) or (3) of section 408(a) during the fiscal



1 year, the Secretary shall reduce the grant payable to  
2 the State under section 403(a)(1) for the imme-  
3 diately succeeding fiscal year by an amount equal to  
4 5 percent of the State family assistance grant.”.

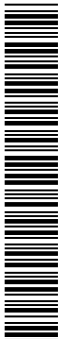
5 **SEC. 403. EXTENSION OF MAINTENANCE OF EFFORT RE-**  
6 **QUIREMENT.**

7 Section 409(a)(7)(A) (42 U.S.C. 609(a)(7)(A)) is  
8 amended by striking “or 2003” and inserting “2003,  
9 2004, 2005, 2006, 2007, or 2008”.

10 **SEC. 404. PENALTY FOR FAILURE OF STATE TO COMPLY**  
11 **WITH CHILD SUPPORT DISREGARD REQUIRE-**  
12 **MENTS.**

13 Section 409(a) (42 U.S.C. 609(a)) is amended by  
14 adding at the end the following:

15 “(15) PENALTY FOR FAILURE TO COMPLY WITH  
16 CHILD SUPPORT DISREGARD REQUIREMENTS.—If  
17 the Secretary determines that a State to which a  
18 grant is made under section 403 for a fiscal year  
19 has violated section 408(a)(4) during the fiscal year,  
20 the Secretary shall reduce the grant payable to the  
21 State under section 403(a)(1) for the immediately  
22 succeeding fiscal year by an amount equal to 5 per-  
23 cent of the State family assistance grant.”.



1 **SEC. 405. PENALTY FOR PENALIZING BIRTH OF CHILD.**

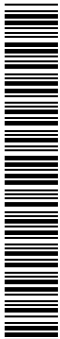
2 Section 409(a) (42 U.S.C. 609(a)) is further amend-  
3 ed by adding at the end the following:

4 “(16) PENALTY FOR PENALIZING BIRTH OF  
5 CHILD.—If the Secretary determines that a State to  
6 which a grant is made under section 403 for a fiscal  
7 year has violated section 408(a)(5) during the fiscal  
8 year, the Secretary shall reduce the grant payable to  
9 the State under section 403(a)(1) for the imme-  
10 diately succeeding fiscal year by an amount equal to  
11 5 percent of the State family assistance grant.”.

12 **SEC. 406. PENALTY FOR FAILURE TO NOTIFY RECIPIENTS**  
13 **OF RIGHTS, OR TRAIN PROGRAM PERSONNEL**  
14 **IN RESPECTING RIGHTS OF RECIPIENTS.**

15 Section 409(a) (42 U.S.C. 609(a)) is further amend-  
16 ed by adding at the end the following:

17 “(17) PENALTY FOR FAILURE TO NOTIFY RE-  
18 CIPIENTS OF RIGHTS, OR TRAIN PROGRAM PER-  
19 SONNEL IN RESPECTING RIGHTS OF RECIPIENTS.—  
20 If the Secretary determines that a State to which a  
21 grant is made under section 403 for a fiscal year  
22 has violated section 408(a)(12) during the fiscal  
23 year, the Secretary shall reduce the grant payable to  
24 the State under section 403(a)(1) for the imme-  
25 diately succeeding fiscal year by an amount equal to  
26 5 percent of the State family assistance grant.”.



1 **SEC. 407. PENALTY FOR FAILURE TO PROVIDE IN-**  
2 **FORMATION TO INDIVIDUALS WHO ARE, OR ARE AT**  
3 **RISK OF BEING, SANCTIONED.**

4 Section 409(a) (42 U.S.C. 609(a)) is further amend-  
5 ed by adding at the end the following:

6 “(18) PENALTY FOR FAILURE TO PROVIDE IN-  
7 FORMATION TO INDIVIDUAL WHO HAS BEEN, OR IS  
8 AT RISK OF BEING SANCTIONED.—If the Secretary  
9 determines that a State to which a grant is made  
10 under section 403 for a fiscal year has violated sec-  
11 tion 408(a)(13) during the fiscal year, the Secretary  
12 shall reduce the grant payable to the State under  
13 section 403(a)(1) for the immediately succeeding fis-  
14 cal year by an amount equal to 5 percent of the  
15 State family assistance grant.”.

16 **SEC. 408. PENALTY FOR COUNTING INCOME, SCHOLARSHIP,**  
17 **OR GIFT RECEIVED BY DEPENDENT MINOR.**

18 Section 409(a) (42 U.S.C. 608(a)) is amended by  
19 adding at the end the following:

20 “(19) PENALTY FOR COUNTING INCOME,  
21 SCHOLARSHIP, OR GIFT RECEIVED BY DEPENDENT  
22 MINOR.—If the Secretary determines that a State to  
23 which a grant is made under section 403 for a fiscal  
24 year has violated section 408(a)(14) during the fis-  
25 cal year, the Secretary shall reduce the grant pay-  
26 able to the State under section 403(a)(1) for the im-





1       mediately succeeding fiscal year by an amount equal  
2       to 5 percent of the State family assistance grant.”.

3   **SEC. 409. PENALTY FOR DIVERTING POTENTIAL APPLI-**  
4                   **CANT FOR ASSISTANCE.**

5       Section 409(a) (42 U.S.C. 608(a)) is further amend-  
6   ed by adding at the end the following:

7               “(20) PENALTY FOR DIVERTING POTENTIAL AP-  
8   PLICANT FOR ASSISTANCE.—If the Secretary deter-  
9   mines that a State to which a grant is made under  
10   section 403 for a fiscal year has violated section  
11   408(a)(15) during the fiscal year, the Secretary  
12   shall reduce the grant payable to the State under  
13   section 403(a)(1) for the immediately succeeding fis-  
14   cal year by an amount equal to 5 percent of the  
15   State family assistance grant.”.

16   **SEC. 410. PENALTY FOR REQUIRING RECIPIENT TO RE-**  
17                   **SPOND TO SURVEY CONDUCTED TO OBTAIN**  
18                   **INFORMATION FOR QUARTERLY REPORT.**

19       Section 409(a) (42 U.S.C. 608(a)) is further amend-  
20   ed by adding at the end the following:

21               “(21) PENALTY FOR REQUIRING RECIPIENT TO  
22   RESPOND TO SURVEY CONDUCTED TO OBTAIN IN-  
23   FORMATION FOR QUARTERLY REPORT.—If the Sec-  
24   retary determines that a State to which a grant is  
25   made under section 403 for a fiscal year has violated



1 section 408(a)(16) during the fiscal year, the Sec-  
2 retary shall reduce the grant payable to the State  
3 under section 403(a)(1) for the immediately suc-  
4 ceeding fiscal year by an amount equal to 5 percent  
5 of the State family assistance grant.”.

6 **SEC. 411. PENALTY FOR UNAUTHORIZED DISCLOSURE OF**  
7 **INFORMATION PROVIDED BY RECIPIENT.**

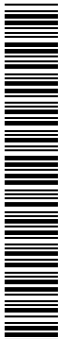
8 Section 409(a) (42 U.S.C. 608(a)) is further amend-  
9 ed by adding at the end the following:

10 “(22) PENALTY FOR UNAUTHORIZED DISCLO-  
11 SURE OF INFORMATION PROVIDED BY RECIPIENT.—  
12 If the Secretary determines that a State to which a  
13 grant is made under section 403 for a fiscal year  
14 has violated section 408(a)(17) during the fiscal  
15 year, the Secretary shall reduce the grant payable to  
16 the State under section 403(a)(1) for the imme-  
17 diately succeeding fiscal year by an amount equal to  
18 5 percent of the State family assistance grant.”.

19 **SEC. 412. PENALTY FOR DISCRIMINATION.**

20 Section 409(a) (42 U.S.C. 608(a)) is further amend-  
21 ed by adding at the end the following:

22 “(23) PENALTY FOR DISCRIMINATION.—If the  
23 Secretary determines that a State to which a grant  
24 is made under section 403 for a fiscal year has vio-  
25 lated section 408(a)(18) during the fiscal year, the



1 Secretary shall reduce the grant payable to the State  
2 under section 403(a)(1) for the immediately suc-  
3 ceeding fiscal year by an amount equal to 5 percent  
4 of the State family assistance grant.”.

5 **SEC. 413. PENALTY FOR FAILURE TO PROVIDE OPPOR-**  
6 **TUNITY TO APPEAL ADVERSE DECISION.**

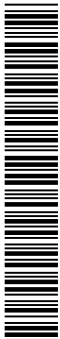
7 Section 409(a) (42 U.S.C. 608(a)) is further amend-  
8 ed by adding at the end the following:

9 “(24) PENALTY FOR FAILURE TO PROVIDE OP-  
10 PORTUNITY TO APPEAL ADVERSE DECISION.—If the  
11 Secretary determines that a State to which a grant  
12 is made under section 403 for a fiscal year has vio-  
13 lated section 408(a)(19) during the fiscal year, the  
14 Secretary shall reduce the grant payable to the State  
15 under section 403(a)(1) for the immediately suc-  
16 ceeding fiscal year by an amount equal to 5 percent  
17 of the State family assistance grant.”.

18 **SEC. 414. PENALTY FOR FAILURE TO COMPLY WITH MIN-**  
19 **IMUM BENEFIT RULES.**

20 Section 409(a) (42 U.S.C. 608(a)) is further amend-  
21 ed by adding at the end the following:

22 “(25) PENALTY FOR FAILURE TO COMPLY WITH  
23 MINIMUM BENEFIT RULES.—If the Secretary deter-  
24 mines that a State to which a grant is made under  
25 section 403 for a fiscal year has violated section 417



1 during the fiscal year, the Secretary shall reduce the  
2 grant payable to the State under section 403(a)(1)  
3 for the immediately succeeding fiscal year by an  
4 amount equal to 5 percent of the State family assist-  
5 ance grant.”.

6 **SEC. 415. PENALTY FOR FAILURE TO PROVIDE INDIVIDUAL**  
7 **CHILD CARE ENTITLEMENT.**

8 Section 409(a) (42 U.S.C. 608(a)) is further amend-  
9 ed by adding at the end the following:

10 “(26) PENALTY FOR FAILURE TO PROVIDE IN-  
11 DIVIDUAL CHILD CARE ENTITLEMENT.—Effective  
12 January 1, 2005, if the Secretary determines that a  
13 State to which a grant is made under section 403  
14 for a fiscal year has violated section 418(b) during  
15 the fiscal year, the Secretary shall reduce the grant  
16 payable to the State under section 403(a)(1) for the  
17 immediately succeeding fiscal year by an amount  
18 equal to 5 percent of the State family assistance  
19 grant.”.

20 **SEC. 416. FAILURE TO SUBMIT REPORT ON WELFARE AC-**  
21 **CESS AND OUTCOMES.**

22 Section 409(a) (42 U.S.C. 609(a)) is further amend-  
23 ed by adding at the end the following:

24 “(27) FAILURE TO SUBMIT REPORT ON WEL-  
25 FARE ACCESS AND OUTCOMES.—If the Secretary de-



1       termines that a State has not, within 45 days after  
2       the end of a fiscal year, submitted the report re-  
3       quired by section 411(c) for the fiscal year, the Sec-  
4       retary shall reduce the grant payable to the State  
5       under section 403(a)(1) for the immediately suc-  
6       ceeding fiscal year by an amount equal to 5 percent  
7       of the State family assistance grant.”.

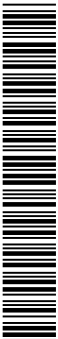
8       **SEC. 417. ELIMINATION OF REASONABLE CAUSE EXCEP-**  
9                                   **TION.**

10       Section 409 (42 U.S.C. 609) is amended by striking  
11       subsection (b).

12       **SEC. 418. MODIFICATION OF AVAILABILITY OF CORREC-**  
13                                   **TIVE COMPLIANCE PLAN OPTION.**

14       Section 409(c)(4) (42 U.S.C. 609(c)(4)) is amended  
15       to read as follows:

16               “(4) LIMITATION ON OPPORTUNITY TO SUBMIT  
17       CORRECTIVE COMPLIANCE PLAN.—The preceding  
18       provisions of this subsection shall not apply with re-  
19       spect to a violation of a provision of this part by a  
20       State if the State has violated the provision on 2 or  
21       more prior occasions.”.



1 **SEC. 419. REPEAL OF BAN ON ASSISTANCE FOR PERSONS**  
2 **CONVICTED OF A DRUG FELONY.**

3 Section 115 of the Personal Responsibility and Work  
4 Opportunity Reconciliation Act of 1996 (42 U.S.C. 862a)  
5 is repealed.

6 **TITLE V—STUDIES AND**  
7 **REPORTS**

8 **SEC. 501. ADDITIONAL INFORMATION TO BE INCLUDED IN**  
9 **QUARTERLY STATE REPORTS.**

10 Section 411(a) (42 U.S.C. 611(a)) is amended—

11 (1) in paragraph (1)(A)—

12 (A) in each of clauses (vii) and (viii) by  
13 striking “race” and inserting “race, gender,”;

14 (B) in clause (xi)(I), by inserting “, broken  
15 down by education level”;

16 (C) by striking clause (xvi) and redesignig-  
17 nating clause (xvii) and clause (xvi); and

18 (D) by adding at the end the following:

19 “(xvii) The amount (if any) of child  
20 support collected on behalf of any indi-  
21 vidual in the family, the amount (if any) of  
22 any such collected support that has been  
23 distributed to any such individual, and the  
24 amount (if any) of such distributed sup-  
25 port that has been disregarded pursuant to  
26 section 408(a)(4).



1                   “(xviii) The number of families receiv-  
2                   ing child care assistance under section  
3                   418.

4                   “(xix) With respect to sanctions im-  
5                   posed under the program, the following in-  
6                   formation broken down by race and gen-  
7                   der:

8                   “(I) The number of families  
9                   against whom a sanction is in effect.

10                  “(II) The number of times sanc-  
11                  tions have been imposed.

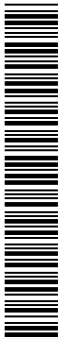
12                  “(III) The reasons for imposition  
13                  of sanctions.

14                  “(IV) The percentage of sanction  
15                  determinations that have been re-  
16                  viewed.

17                  “(V) The percentage of reviewed  
18                  sanction determinations that have  
19                  been reversed.

20                  “(VI) The number of families  
21                  leaving the program as a result of  
22                  sanctions.

23                  “(xx) The number of families who  
24                  have returned to the program after having



1 left the program, and the length of the in-  
2 tervening period.

3 “(xxi) The percentage of families who  
4 report having been notified of the option to  
5 be assessed for and receive services to  
6 manage a barrier to escaping poverty.”;  
7 and

8 (2) by redesignating paragraph (7) as para-  
9 graph (8) and inserting after paragraph (6) the fol-  
10 lowing:

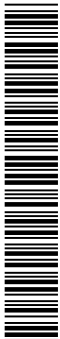
11 “(7) REPORT ON TRAINING.—The report re-  
12 quired by paragraph (1) for a fiscal quarter shall in-  
13 clude a statement of the percentage of caseworkers,  
14 supervisors, and new employees who received train-  
15 ing to carry out the State program funded under  
16 this part during the quarter.”.

17 **SEC. 502. ELIMINATION FROM SECRETARIAL REPORT TO**  
18 **THE CONGRESS OF INFORMATION ON OUT-**  
19 **OF-WEDLOCK PREGNANCIES.**

20 Section 411(b)(1)(B)(ii) (42 U.S.C. 611(b)(1)(B)(ii))  
21 is amended by striking “out-of-wedlock pregnancies and”.

22 **SEC. 503. ACCESS TO WELFARE; WELFARE OUTCOMES.**

23 Section 411 (42 U.S.C. 611) is amended by adding  
24 at the end the following:





1       “(c) ANNUAL REPORTS ON WELFARE ACCESS AND  
2 OUTCOMES.—

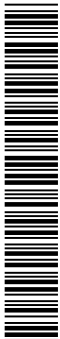
3           “(1) STATE REPORTS.—Not later than January  
4 1 of each fiscal year, each eligible State shall collect  
5 and report to the Secretary, with respect to the pre-  
6 ceding fiscal year, the following information:

7           “(A) The number of applications for as-  
8 sistance from the State program funded under  
9 this part, the percentage that are approved ver-  
10 sus those that are disapproved, and the reasons  
11 for disapproval, broken down by race.

12           “(B) A copy of all rules and policies gov-  
13 erning the State program funded under this  
14 part that are not required by Federal law, and  
15 a summary of the rules and policies, including  
16 the amounts and types of assistance provided  
17 and the types of sanctions imposed under the  
18 program.

19           “(C) The types of occupations of, types of  
20 job training received by, and types and levels of  
21 educational attainment of recipients of assist-  
22 ance from the State program funded under this  
23 part, broken down by gender and race.

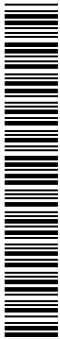
24           “(D) The incidence of homelessness, of the  
25 use of food pantries and soup kitchens, and of



1 the use of shelters among recipients of assist-  
2 ance from the State program funded under this  
3 part and among individuals to whom assistance  
4 under the State programs funded are this part  
5 has ended within the past 12 months. The in-  
6 formation described in this subparagraph may  
7 be provided by submitting disaggregated case  
8 record information on a sample of families.

9 “(E) The number of individuals to whom  
10 assistance under the State program funded  
11 under this part has ended during the year, bro-  
12 ken down by the reasons why the assistance has  
13 ended (including employment, marriage, sanc-  
14 tion, time limit, or State policy.

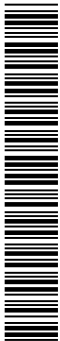
15 “(F) The economic conditions of individ-  
16 uals to whom assistance under the State pro-  
17 grams funded are this part has ended, including  
18 the types of occupations of, the duration of em-  
19 ployment of, the income of, the benefits pro-  
20 vided to, the types of job training received by,  
21 the types and levels of educational attainment  
22 of, and the incidence of homelessness, of the  
23 use of food pantries or soup kitchens, and of  
24 the use of shelters among, such individuals, bro-  
25 ken down by gender and race.



1           “(G) The effects of applying the 5-year  
2           time limit to individuals who, in the absence of  
3           the limit, would continue to be eligible for as-  
4           sistance from the State program funded under  
5           this part, including the economic and social cir-  
6           cumstances of the individuals, including income,  
7           employment, homelessness, use of food pantries  
8           or soup kitchens, and change in child custody  
9           arrangements.

10          “(2) USE OF SAMPLING.—A State may comply  
11          with this subsection by using a scientifically accept-  
12          able sampling method approved by the Secretary.

13          “(3) REPORT TO THE CONGRESS.—Not later  
14          than June 1 of each fiscal year, the Secretary shall  
15          prepare and submit to the Committee on Ways and  
16          Means of the House of Representatives and the  
17          Committee on Finance of the Senate, publish in the  
18          Federal Register, and make available to the public  
19          a compilation of the reports submitted pursuant to  
20          paragraph (1) for the preceding fiscal year.”.



1   **SEC. 504. ASSESSMENT OF REGIONAL ECONOMIES TO IDEN-**  
2                   **TIFY HIGHER ENTRY LEVEL WAGE OPPORTU-**  
3                   **NITIES IN INDUSTRIES EXPERIENCING**  
4                   **LABOR SHORTAGES.**

5       Section 411 (42 U.S.C. 611) is further amended by  
6 adding at the end the following:

7       “(d) ASSESSMENT OF REGIONAL ECONOMIES TO  
8 IDENTIFY HIGHER ENTRY LEVEL WAGE OPPORTUNITIES  
9 IN INDUSTRIES EXPERIENCING LABOR SHORTAGES.—

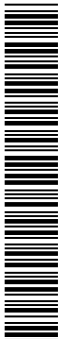
10           “(1) IN GENERAL.—An eligible State shall con-  
11 duct annually an assessment of its regional econo-  
12 mies that are experiencing a labor shortage and that  
13 provide higher entry-level wage opportunities for job  
14 seekers pursuant to section 402(a)(8).

15           “(2) MATTERS TO BE ASSESSED.—

16           “(A) LABOR MARKET.—The assessment  
17 shall—

18                   “(i) identify industries or occupations  
19 that have or expect to grow, that have or  
20 expect a loss of skilled workers, or that  
21 have a need for workers;

22                   “(ii) identify the entry-level education  
23 and skills requirements for the industries  
24 or occupations that have or expect a need  
25 for workers; and



1                   “(iii) analyze the entry-level wages  
2                   and benefits in identified industries or oc-  
3                   cupations.

4                   “(B) JOB SEEKERS.—The assessment shall  
5                   create a profile of the characteristics of the un-  
6                   employed and underemployed residents of the  
7                   State, including educational attainment, bar-  
8                   riers to employment, geographic concentrations,  
9                   self-sufficiency needs, and access to needed sup-  
10                  port services.

11                  “(C) EDUCATION AND TRAINING INFRA-  
12                  STRUCTURE.—The assessment shall create a  
13                  profile of the education, training, and support  
14                  services in place in the State to prepare workers  
15                  for the industries or occupations identified pur-  
16                  suant to subparagraph (A).

17                  “(D) ALIGNING INDUSTRIES AND JOB  
18                  SEEKERS.—The assessment shall compare the  
19                  characteristics of the industries or occupations  
20                  identified pursuant to subparagraph (A) to the  
21                  profile of the job seekers in the State and the  
22                  profile of the education and training infrastruc-  
23                  ture in the State.

24                  “(3) SHARING OF INFORMATION WITH LOCAL-  
25                  ITIES.—The State shall share with the political sub-



1 divisions of the State information obtained pursuant  
2 to this subsection regarding higher entry-wage job  
3 opportunities in industries experiencing labor short-  
4 ages, and information regarding opportunities for  
5 collaboration with institutions of higher education,  
6 community-based organizations, and economic devel-  
7 opment and welfare agencies.

8 “(4) REPORTS OF ASSESSMENT OF REGIONAL  
9 ECONOMIES.—Each eligible state shall submit to the  
10 Secretary annually a report hat contains the annual  
11 assessment conducted pursuant to this subsection.”.

12 **SEC. 505. RESEARCH, EVALUATIONS, AND NATIONAL STUD-**  
13 **IES.**

14 Section 413 (42 U.S.C. 613) is amended—

15 (1) in subsection (a), by striking the 2nd sen-  
16 tence;

17 (2) in subsection (b)—

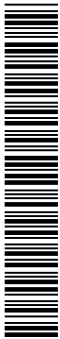
18 (A) in the subsection heading by striking  
19 “WELFARE DEPENDENCY” and inserting “POV-  
20 ERTY”; and

21 (B) in paragraph (1), by striking “welfare  
22 dependency” and inserting “poverty”;

23 (3) by striking subsections (d), (e), (g), and (j);

24 (4) in subsection (h)—

25 (A) in paragraph (1)—



1 (i) in subparagraph (B), by striking  
2 welfare dependency” and inserting “pov-  
3 erty”; and

4 (ii) in subparagraph (C), by striking  
5 “(f)” and inserting “(d)”; and  
6 (B) by adding at the end the following:

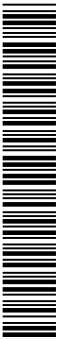
7 “(4) TECHNICAL ASSISTANCE IN ASSESSING RE-  
8 GIONAL ECONOMIES.—

9 “(A) IN GENERAL.—The Secretary may  
10 provide technical assistance to an eligible State  
11 to enable the State to conduct the assessments  
12 required by section 411(d).

13 “(B) LIMITATIONS ON AUTHORIZATION OF  
14 APPROPRIATIONS.—For the cost of providing  
15 technical assistance under subparagraph (A),  
16 there are authorized to be appropriated to the  
17 Secretary not more than \$1,500,000 for each of  
18 fiscal years 2003 through 2008.”;

19 (5) in subsection (i)—

20 (A) in paragraph (1), by adding at the end  
21 the following: “The statement shall include de-  
22 tailed information on the depth of child poverty  
23 in the State.”; and



1 (B) in paragraph (5), by inserting “and  
2 the depth of child poverty” before “in the  
3 State”; and  
4 (6) by redesignating subsections (f), (h), and (i)  
5 as subsections (d) through (f), respectively.

6 **SEC. 506. STUDY BY THE CENSUS BUREAU.**

7 Section 414(a) (42 U.S.C. 614(a)) is amended by  
8 striking all that follows “low-income families” and insert-  
9 ing a period.

10 **TITLE VI—WAIVERS**

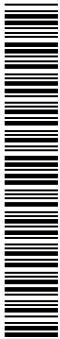
11 **SEC. 601. WAIVERS.**

12 Section 415(a) (42 U.S.C. 615(a)) is amended in  
13 each of paragraphs (1)(A) and (2)(A) by striking “(deter-  
14 mined without regard to any extensions)”.

15 **TITLE VII—REPEAL OF LIMITA-**  
16 **TION ON FEDERAL AUTHOR-**  
17 **ITY.**

18 **SEC. 701. REPEAL OF LIMITATION ON FEDERAL AUTHOR-**  
19 **ITY.**

20 Section 417 (42 U.S.C. 617) is repealed.





1     **TITLE VIII—MINIMUM BENEFIT**  
2                     **RULES**

3     **SEC. 801. MINIMUM BENEFIT RULES.**

4             Part A of title IV (42 U.S.C. 601–619), as amended  
5 by section 701 of this Act, is amended by inserting after  
6 section 416 the following:

7     **“SEC. 417. MINIMUM BENEFIT RULES.**

8             “(a) IN GENERAL.—After taking into account all  
9 costs of living and family size in each State with a pro-  
10 gram funded under this part, the Secretary shall, by regu-  
11 lation, prescribe a minimum cash benefit in accordance  
12 with subsection (b), which shall be payable by the State  
13 to each recipient of assistance under the program.

14             “(b) LIMITATION.—The minimum cash benefit pre-  
15 scribed for a family under subsection (a) shall be an  
16 amount that is not less than the sum of the poverty line  
17 applicable to the family, plus the amount (if any) by which  
18 the housing costs of the family exceeds 30 percent of the  
19 poverty line applicable to the family.”.

20                     **TITLE IX—CHILD CARE**

21     **SEC. 901. INDIVIDUAL ENTITLEMENT TO CHILD CARE.**

22             Section 418 (42 U.S.C. 618) is amended—

23                     (1) by striking subsection (b) and inserting the  
24 following:



1       “(b) USE OF FUNDS TO PROVIDE INDIVIDUAL ENTI-  
2 TLEMENT TO CHILD CARE.—A State to which a grant is  
3 made under this section shall use the grant, without fiscal  
4 year limitation, only to guarantee safe, appropriate, af-  
5 fordable, and quality care for any child of (or with respect  
6 to whom any of the following is acting as a caretaker rel-  
7 ative)—

8               “(1) any recipient of assistance under the State  
9 program funded under this part who is employed or  
10 participating in a work activity required pursuant to  
11 this part (except for full-time participation in a work  
12 activity described in section 407(d)(12)); and

13               “(2) any other employed individual who is a  
14 member of a family whose income is less than 250  
15 percent of the poverty line and who, during the past  
16 24 months, ceased to receive assistance under any  
17 State program funded under this part.”; and

18               (2) in subsection (c), by inserting “, but subject  
19 to subsection (b) of this section” after the 1st  
20 comma.

21               **TITLE X—DEFINITION OF**  
22               **POVERTY LINE**

23       **SEC. 1001. DEFINITION OF POVERTY LINE.**

24       Section 419 (42 U.S.C. 619) is amended by adding  
25 at the end the following:



1           “(6) POVERTY LINE.—The term ‘poverty line’  
2       has the meaning given the term in section 673(2) of  
3       the Omnibus Budget Reconciliation Act of 1981, in-  
4       cluding any revision required by such section appli-  
5       cable to a family of the size involved.”.

## 6       **TITLE XI—SERVICE PROVIDERS**

### 7       **SEC. 1101. PROTECTION FOR BENEFICIARIES.**

8           Section 104 of the Personal Responsibility and Work  
9       Opportunity Reconciliation Act of 1996 (42 U.S.C. 604a)  
10      is amended—

11           (1) in subsection (e), by striking “RIGHTS OF  
12       BENEFICIARIES OF ASSISTANCE” and inserting  
13       “PROTECTION FOR BENEFICIARIES”; and

14           (2) by adding at the end the following:

15       “(l) NO DISCRIMINATION IN HIRING WITH TAX-  
16       PAYER DOLLARS.—Sections 702 and 703(e)(2) of the  
17       Civil Rights Act of 1964 shall not apply to a nongovern-  
18       mental organization that receives funds under a program  
19       described in subsection (a)(2) of this section with respect  
20       to an individual who provides, or would provide, services  
21       funded in whole or in part under such a program, or indi-  
22       viduals whose employment is, or would be, funded in whole  
23       or in part under such a program.

24       “(m) BENEFICIARY RIGHTS.—A nongovernmental  
25       organization that receives funds under a program funded



1 under subsection (a)(2) may not, in providing services  
2 funded in whole or in part under such a program or engag-  
3 ing in outreach activities for services funded in whole or  
4 in part under such a program—

5 “(1) discriminate against a program beneficiary  
6 or prospective beneficiary on the basis of religion or  
7 religious belief; or

8 “(2) include sectarian worship, instruction or  
9 proselytization in such a program, or require or co-  
10 erce a beneficiary to participate in, or be present for,  
11 sectarian worship, instruction or proselytization.”.

## 12 **TITLE XII—EFFECTIVE DATE**

### 13 **SEC. 1201. EFFECTIVE DATE.**

14 Except as otherwise provided, this Act and the  
15 amendments made by this Act shall take effect on April  
16 1, 2003.

